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Japan

Nakasone, Sigur Discuss Arms, Persian Gulf *OW160441 Tokyo KYODO in English 0434 GMT 16 Sep 87*

[Text] Tokyo, Sept. 16 KYODO—Prime Minister Yasuhiro Nakasone expressed hope Wednesday that the current U.S.-Soviet foreign minister's meeting on arms control will lead to a summit meeting between U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev, a Foreign Ministry official said.

Nakasone made the comment when he met with U.S. Assistant Secretary of State for East Asian and Pacific Affairs Gaston Sigur at his official residence.

Nakasone expressed delight over the current meeting between U.S. Secretary of State George Shultz and Soviet Foreign minister Eduard Shevardnadze, which he said started in a warm atmosphere.

He said he hopes the meeting will lead to a Reagan-Gorbachev summit and that Reagan will be recognized as a peacemaker.

Sigur, who visited Moscow last week for consultations on Asian affairs, briefed Nakasone as well as Foreign Minister Tadashi Kuranari earlier in the day on his Moscow talks.

Nakasone was quoted as telling Sigur that Japan is striving for measures to help Reagan in blocking a protective trade bill to be passed in the Congress.

Kuranari also expressed hope of a successful visit to the U.S. next month by Crown Prince Akihito and Princess Michiko.

Kuranari, who leaves Tokyo Thursday for Iraq and other nations, said Japan will closely watch the efforts by U.N. Secretary General Javier Perez de Cuellar to end the Iran-Iraq war, the official said.

Nakasone said Sigur did not ask Japan to help shoulder the financial cost of keeping the Persian Gulf safe for commercial navigation.

But he said he told Sigur Japan is "studying" the matter.

Tamura Briefs Nakasone on Talks in U.S. *OW141247 Tokyo KYODO in English 1235 GMT 14 Sep 87*

[Text] Tokyo, Sept. 14 KYODO—International Trade and Industry Minister Hajime Tamura Monday told Prime Minister Yasuhiro Nakasone the U.S. Government highly rated Japanese action to stem a recurrence of illegal sales of strategic high technology to the communist bloc.

Tamura made the statement at the premier's office after his return from Washington, where he met with U.S. cabinet ministers and congressional leaders in a bid to

quell U.S. concern over bilateral trade imbalances and the diversion of propeller-milling machines to Moscow by Toshiba Machine Co.

He said all cabinet ministers have expressed their readiness to oppose an amendment to the omnibus trade reform legislation which would ban products of Toshiba Corp., the parent firm of Toshiba Machine, from the U.S. market.

Nakasone asked Tamura what promises Japan failed to honor in giving U.S. construction firms greater access to participate in the multi-billion dollar Kansai International Airport project.

Nakasone had earlier pledged to give fair opportunities to U.S. firms to join the project to build an airport on a man-made island in the Osaka Bay in a meeting with then Commerce Secretary Malcolm Baldrige.

In reply, Tamura said U.S. participation in the airport project has not yet been realized to the degree the U.S. side had expected.

He said the U.S. construction industry suspects that the Japanese construction market has its own trade barriers to block foreign participation.

Cabinet Meets on COCOM Violations *OW160427 Tokyo KYODO in English 0406 GMT 16 Sep 87*

[Text] Tokyo, Sept. 16 KYODO—The government Wednesday staged the first of a series of special cabinet meetings aimed at the deliberation of measures to prevent further violations of export controls set out by the Coordinating Committee on Multilateral Export Controls (COCOM), officials said.

The special cabinet meeting, established in the wake of the Toshiba Machine scandal, was attended by International Trade and Industry Minister Hajime Tamura; Foreign Minister Tadashi Kuranari; Finance Minister Kiichi Miyazawa; Justice Minister Kaname Endo; Yuko Kurihara, director general of the Defense Agency; Chief Cabinet Secretary Masaharu Gotoda; and Nobuyuki Hanashi, home affairs minister and chairman of the National Public Safety Commission.

Officials said Tamura explained the measures taken by the Ministry of International Trade and Industry (MITI) to tighten supervision of the country's exports and said the ministry's efforts were favorably received by U.S. leaders during Tamura's recent visit to the United States.

Closing the meeting, Gotoda admitted that before the Toshiba Machine incident both private Japanese corporations and government ministries had lost sight of the importance of Western security.

"From now on the government will do all in its power to ensure such violations do not happen again," Gotoda said.

The next special cabinet meeting is due to be held on October 5.

Nakasone Urges 'Drastic' Action on Airport
*OW160423 Tokyo KYODO in English 0417 GMT
16 Sep 87*

[Text] Tokyo, Sept. 16 KYODO—Prime Minister Yasuhiro Nakasone directed his top deputies Wednesday to draw up drastic measures to settle a row with the United States over a new airport project.

Officials said Nakasone issued the order to Chief Cabinet Secretary Masaharu Gotoda and Transport Minister Ryutaro Hashimoto after a cabinet meeting.

The premier's action followed International Trade and Industry Minister Hajime Tamura's report to the cabinet session on his recent trip to Washington.

Tamura said Sunday upon returning home that the U.S. has warned of punitive steps against Japan for its continued resistance to allow U.S. firms to fully participate in the 1 trillion yen Kansai International Airport project in Osaka Bay.

An official quoted Nakasone as telling Hashimoto that the Transport Ministry should further gear up efforts for foreign participation in the project to quiet harsh sentiment in Congress.

Hashimoto responded that Japan has done everything it could but that his ministry will consult with the ministries of foreign affairs and construction to see if Tokyo could do more, the official said.

The transport minister later told reporters he does not know about specific U.S. requests but plans to talk with subordinates about the airport issue.

Tamura told U.S. Government officials in Washington and reporters in Tokyo Sunday the Japanese practice of "dango" or competitive bidding by designated firms is blocking full non-Japanese participation in the new airport project, one of Japan's biggest construction projects ever.

The project calls for opening the nation's first 24-hour airport on a manmade island in Osaka Bay in the spring of 1993.

In a related development, Construction Minister Kosei Amano said after the cabinet session he requested the metropolitan Tokyo government to quickly issue a permit to the U.S. construction company Bechtel.

If approved, Bechtel will be able to bid on work for the Kansai Airport and other construction projects.

Ministry officials said a permit, to be issued by prefectoral governments concerned, is mandatory for domestic and foreign construction firms to operate in the Japanese market.

Amano said his ministry plans to ensure swift action on permit applications from foreign construction companies in accordance with Japan's construction business law.

Doi Asked To Help Free Seamen in DPRK
*OW120501 Tokyo KYODO in English 0446 GMT
12 Sep 87*

[Text] Tokyo, Sept. 12 KYODO—Prime Minister Yasuhiro Nakasone Saturday asked Japan Socialist Party leader Takako Doi for help in gaining the release of two Japanese seamen detained in North Korea when she visits the country later this month.

Nakasone made the request when Doi, chairwoman of Japan's top opposition party, called on the prime minister at his official residence before her visits to the United States from Sunday and to North Korea from September 24.

Nakasone also revealed that Japan made contacts with North Korea in Beijing concerning the seamen but said no progress has yet been made on the issue. Japan has no diplomatic relations with North Korea.

The two Japanese seamen of the refrigerator ship *Fujisan Maru* have been held in North Korea since November 1983 for allegedly having helped a North Korean soldier defect to Japan.

Nakasone praised Doi for choosing the U.S. as her first foreign country to visit as JSP leader, saying the visit should help Americans develop a better understanding of JSP policies.

Nakasone To Receive ROK's No Tae-u 18 Sep
*OW110247 Tokyo KYODO in English 0241 GMT
11 Sep 87*

[Text] Tokyo, Sept. 11 KYODO—Prime Minister Yasuhiro Nakasone will meet South Korea's ruling party leader No Tae-u on September 18. Management and Coordination Agency Chief Tokuo Yamashita said Friday.

Nakasone and No are expected to discuss South Korea's political situation, labor unrest and the 1988 Seoul Olympics and to reconfirm friendship between Japan and South Korea.

No, president of the Democratic Justice Party, is scheduled to arrive in Tokyo for a three-day visit to Japan enroute home from the United States.

No, who is DJP's presidential candidate, hopes to meet Liberal Democratic Party Secretary General Noboru Takeshita, LDP Executive Council Chairman Shintaro Abe and Finance Minister Kiichi Miyazawa, who are regarded as frontrunners in the LDP presidential election in October, government sources said.

Economic Assistance Designated for Thailand
*OW121015 Tokyo KYODO in English 1006 GMT
12 Sep 87*

[Text] Tokyo, Sept. 12 KYODO—The Japanese Government has decided to extend some 80 billion yen in

official credit, and 1 billion yen in grants to Thailand, government sources said Saturday.

The yen credit, the 13th from Japan, will be used for a series of projects under a five-year socio-economic program, including metropolitan development, and harbor and road construction, the sources said.

The grant aid will be used for construction of a memorial hall celebrating three centuries of friendly ties between Japan and Thailand. The hall will be located in the ancient capital city of Ayutthaya north of Bangkok, they said.

A legendary Japanese, Yamada Nagamasa, went to Ayutthaya in the 17th century and helped King of Siam quell a civil war and conquer a neighboring kingdom, initiating friendly relations between the two nations.

Notes on the yen credit will be exchanged between the two countries probably before prime minister Yasuhiro Nakasone visits Thailand September 25-27, the sources said.

The grant aid for the construction of the memorial hall will be officially extended by Nakasone during his Thai visit, they said.

Poll Favors Takeshita To Succeed Nakasone

OW110213 Tokyo KYODO in English 0007 GMT
11 Sep 87

[Text] Tokyo, Sept. 11 KYODO—Liberal Democratic Party Secretary General Noboru Takeshita is the candidate most favored to succeed Prime Minister Yasuhiro Nakasone, a *Yomiuri Shimbun* poll showed Friday.

The poll, taken August 29 and 30 covering 3,000 voters nationwide, showed that LDP Executive Council Chairman Shintaro Abe ranks second, Finance Minister Kichi Miyazawa third, and former LDP Vice President Susumu Nikaido fourth place, the mass circulation daily said.

Of those polled, 2,256 or 75 percent responded and 26 percent of the respondents named Takeshita as their choice as Nakasone's successor, compared with 20 percent for Abe, 17 percent for Miyazawa and 8 percent for Nikaido, the *Yomiuri* said.

The respondents highly praised Takeshita's capability in leadership, decision-making, political ideology, policy-making and popularity, *Yomiuri* said.

Former Foreign Minister Abe ranked top in the voters' assessment of the four men's international awareness.

The LDP is scheduled to declare the start of a party presidential election on October 8 to pick the next party leader succeeding Nakasone, whose term of office will expire October 30.

Takeshita, Abe, Miyazawa and Nikaido are expected to run in the race.

Mongolia

GDR's Stoph Arrives on Visit 15 September

Met by Sodnom

OW160449 Ulaanbaatar MONTSAME in Russian
1340 GMT 15 Sept 87

[Text] Ulaanbaatar, 15 Sep (MONTSAME)—Willi Stoph, member of the Socialist Unity Party of Germany (SED) Central Committee Politburo, and chairman of the GDR Council of Ministers, today arrived in Ulaanbaatar for a friendly visit at the invitation of the MPRP Central Committee and the MPR Government.

[Words indistinct] J. Batmonh and E. Honecker, toasts in honor of the fraternal friendship between the peoples of the two countries, the special airliner, with the high-ranking guest on board, landed. At the aircraft, Willi Stoph, member of the SED Central Committee Politburo and chairman of the CDR Council of Ministers, and his wife were met by Damaagijn Sodnom, member of the Politburo and chairman of the MPR Council of Ministers, with his wife; M. Dugersuren, MPR minister of foreign affairs; R. Jamts, [name as received] MPR ambassador extraordinary and plenipotentiary to the GDR; as well as L. Zoellner, GDR ambassador extraordinary and plenipotentiary to the MPR.

Willi Stoph, member of the Politburo and chairman of the GDR Council of Ministers, was accompanied by Horst Solle, Deputy chairman of the GDR Council of Ministers and chairman of the GDR section of the GDR-MPR Intergovernmental Commission for Economic, Scientific, and Technical Cooperation; Harry Moebis, state secretary and chief of the Organization and Inspection Working Group of the Council of Ministers; Kurt Nier, GDR deputy minister of foreign affairs; Harry Mueller, deputy chairman of the GDR State Planning Commission; Eduard Schwirtz [name as received], GDR deputy minister of foreign trade; and other officials.

Comrades D. Sodnom and W. Stoph approached the honor guard. The national anthems of the GDR and the MPR were played. The commander of the honor guard of the Ulaanbaatar Garrison reported his honor guard ready for inspection. Comrades D. Sodnom and W. Stoph inspected the honor guard; Pioneers presented comrades W. Stoph and D. Sodnom with flowers.

Comrade W. Stoph then greeted D. Molomjamts, member of the Politburo and secretary of the MPRP Central Committee; S. Lubsangombo, candidate member of the Politburo and deputy chairman of the MPR Council of Ministers, and chairman of the Mongolian section of the MPR-GDR Intergovernmental Commission for Economic, Scientific, and Technical Cooperation; and other officials.

The Mongolian working people express their confidence that the present visit of Comrade Willi Stoph will make a significant input in the strengthening of friendship and cooperation between our two fraternal countries.

Official Talks Held

LD152314 East Berlin ADN International Service
in German 1127 GMT 15 Sep 87

[Text] Ulaanbaatar, 15 Sep (ADN)—Willi Stoph, chairman of the GDR Council of Ministers and member of the SED Central Committee Politburo, and Dumaagijn Sodnom, chairman of the MPR Council of Ministers and member of the MPRP Central Committee Politburo, today held official talks in Ulaanbaatar.

The two sides paid tribute to the dynamic development of bilateral cooperation, which is reflected in specific results to the benefit of the two peoples. Fraternal cooperation between the SED and the MPR was stressed. This provides the direction for the shaping of relations in all areas.

With the agreements made by the leading representatives of the two parties and states, Erich Honecker and Jambyn Batmonh, on the occasion of Erich Honecker's official friendship visit to the MPR and the "long-term program for the development of economic, scientific and technical cooperation between the GDR and the MPR in the period up to the year 2000" signed by them, all preconditions are present for the qualitative development of economic relations. At the same time the long-term orientation for the main directions and main goals of cooperation in the economic area have been laid down by this.

Starting from this, matters of economic, scientific and technical cooperation comprised a large part of the talks. Willi Stoph and Dumaagijn Sodnom discussed measures for the fulfillment of the tasks laid down in these documents. It is a matter of comprehensively preparing the coordination of the national economic plans for the period 1991-95 on this basis and of carrying it out in good time. Cooperation in science and technology has to be increasingly concentrated on the creation of a scientific and technical lead. The positive results of joint activities by working people from the GDR and MPR form a solid basis for the further comprehensive development of cooperation on production, science and technology. In this particular attention was paid to the areas of light industry, the food processing industry, agriculture, geology mining, and vocational training.

The economic, scientific and technological cooperation between the two states, which is at a high level, at the same time is in complete harmony with the economic meeting of the CEMA member countries at the highest level, Willi Stoph and Dumaagijn Sodnom stated. They reassured the resolution of their countries to contribute actively to the raising of efficiency within the framework of the CEMA.

During an exchange of opinions on the tasks of building socialism, Willi Stoph and Dumaagijn Sodnom briefed each other on the creative activities of their countries' working people in realizing the resolutions of the 11th SED party congress and the 19th MPRP party congress.

Willi Stoph stressed that it is a matter of primary concern for the SED and the working people of the GDR to prepare and celebrate the 70th anniversary of the Great October Socialist Revolution, this event of world significance, with greater achievements in converting the party congress resolutions into deeds.

In a discussion on topical international issues, the two parties agreed that it is a matter of ending the arms race on earth and not allowing it in space. The disarmament proposals and peace initiatives of the Soviet Union and the other socialist states and the work of all peaceloving forces in all parts of the world have opened up a real chance of reaching actual disarmament agreements. The key to this is the removal of longer and shorter range INF. The GDR and the MPR support the USSR's proposal for a global double zero option on medium-range missiles, which has given an important impetus to the Soviet-U.S. negotiations in Geneva.

Stoph Addresses Luncheon

LD151816 East Berlin ADN International Service
in German 1244 GMT 15 Sep 87

[Text] Ulaanbaatar, 15 Sep 87 (ADN)—Willi Stoph said at a lunch given in his honor today in Ulaanbaatar that the treaty on friendship and cooperation signed 10 years ago brought a visible upturn in the fraternal relations that had existed for years between the GDR and the MPR.

Important impetus was given to this dynamic development through the meetings between the highest representatives of our fraternal parties and states — Jambyn Batmonh and Erich Honecker—last October. Economic cooperation, which is useful to both sides, successes in science, education, and culture are firm aspects of the social lives of our people.

The Council of Ministers chairman stressed: The fruitful development of bilateral relations is at the same time a living contribution to consolidating friendship and cooperation of the CEMA member countries and serves the common concern of comprehensively strengthening socialism and securing peace.

As for the international situation, Willi Stoph said: The peace policy of socialism, taking the offensive, and, above all, the far-reaching initiatives of the USSR for peace and disarmament, are influencing the world political situation more than before. In the 70th year of the Red October, this fills us with pride and confidence. A reduction in international tensions could be achieved under pressure from the forces of peace and socialism as could more favorable conditions for solving the security and disarmament issues.

At their conference in Berlin, the Warsaw Treaty member states stressed that they had developed a comprehensive and concrete disarmament program that would end the danger of a nuclear war and free the world from nuclear and other weapons of mass destruction within the century.

In this spirit the GDR also supports a wide coalition with all forces of commonsense and realism to end the arms race and prevent its extension into space, the speaker emphasized. The proposals by Mikhail Gorbachev for a global double zero option on medium-range missiles, the fulfillment of which would decisively increase security both in Europe and in Asia, has our complete support. One's attitude toward this is a measure of who is actually striving for practical disarmament and who is trying to avoid it with flimsy explanations.

By its active policy of result-seeking dialogue, the GDR is constructively contributing to fulfilling socialism's peace program in the heart of Europe. The recent visit to the FRG by Erich Honecker, SED Central Committee general secretary and GDR Council of State chairman, has again strongly underlined this.

In the discussion on international problems, ending the arms race and introducing a move toward disarmament, detente, and cooperation were the center of attention. In many talks there was great agreement on the issue of securing peace, including the removal of the 72 Pershing-IAs after achieving an agreement on removing medium-range missiles. Despite differing opinions on various political issues, the joint communique, with its agreed on statements and signed agreements and accords, represents a broad basis for continuing the political dialogue and developing relations between the GDR and the FRG in the interest of European peace and security.

In this context, Willi Stoph stressed that the proposals jointly put forward by the GDR and the CSSR for creating a nuclear weapon-free corridor and a chemical weapon-free zone in Central Europe remained highly topical.

The speaker expressed his high opinion of the MPR's support for the realization of a comprehensive system of international security and stated: We welcome and support the MPR's efforts, rich in initiative, for improving the situation in Asia and developing pan-Asian dialogue. Thus, the proposal to create a mechanism that excludes the use of force in relations between the states of Asia and the Pacific, is of great significance.

Willi Stoph paid tribute to the success of the fraternal Mongolian people in achieving the goals of the MPRP's 19th party congress. The results achieved under the tried and true MPRP leadership are a solid basis for strengthening socialism on Mongolian soil and are simultaneously of importance for the continued flourishing of the socialist family of peoples.

Sodnom Addresses Dinner

LD152325 East Berlin ADN International Service
in German 1300 GMT 15 Sep 87

[Text] Ulaanbaatar, 15 Sep 87 (ADN)—At the dinner in honor of Willi Stoph in Ulaanbaatar today, MPR Premier Dumaagijn Sodnom stressed that the close cooperation between the MPRP and the SED, which is based on the principles of Marxism-Leninism and of socialist internationalism, is the firm basis of their relations.

The negotiations last year between the MPRP Central Committee general secretary and chairman of the Presidium of the MPR's People's Great Hural, Jambyn Batmonh, and the SED Central Committee general secretary and chairman of the GDR Council of State, Erich Honecker, and the long-term program for developing economic and scientific cooperation between the MPR and GDR for the period to the year 2000 gave fresh impetus to the expansion and deepening of the fraternal friendship and the fruitful close cooperation between the MPR and GDR. They made an important contribution to consolidating the unity and cohesion of the socialist community states and to strengthening our common struggle for peace and socialism, he said.

Led by the MPRP, the Mongolian people were successfully solving the tasks of building socialism. Emphasizing the important role of the GDR's fraternal, internationalist help and support in this, I would like, on behalf of the MPRP Central Committee, the Government of the MPR and the Mongolian people, to warmly thank the SED Central Committee and the GDR's Government and people, the speaker said.

The GDR was making an important contribution to consolidating the positions of the states in the socialist community. We are gratified by the continuous growth in the GDR's international role and authority. This is the result of its peace-loving, active foreign policy, which is directed toward preserving and strengthening peace in Europe and throughout the world.

The issue of war or peace is today the focus of attention of all people on earth, the MPR Council of Minister chairman stressed. The idea of a world without nuclear weapons and war increasingly dominates the feelings and thoughts of the people and the international public. The far-sighted and constructive peace initiatives of the Soviet Union and its practical measures are creating real possibilities for liberating mankind from the danger of nuclear war. Thanks to the Soviet Union's efforts, good prospects are opening up for the worldwide elimination of medium-range missiles and operational-tactical missiles.

The socialist community states, including the MPR and GDR, regard their contribution to mutual understanding, to the strengthening of mutual trust, and to the development of equal, mutually advantageous cooperation between the people of the various continents and regions of the world as their paramount duty and are working actively for this.

In this connection, Dumaagijn Sodnom said: "We are sure that the visit to the FRG by Erich Honecker, SED Central Committee general secretary and chairman of the GDR Council of State, which is of great political significance, is having a positive influence on the stabilization not only of GDR-FRG relations, but also of East-West relations as a whole."

"The people of the socialist fraternal countries, including the people of our two states, are moving toward the 70th Great October anniversary with a further upswing in

work deeds and fighting elan for the benefit of socialism and peace. We take this opportunity," he said, "to stress once more with great satisfaction that the fraternal, indestructible friendship, the all-round, close cooperation with the main force of world socialism, with the home of Great October, the Soviet Union, is forging the bonds between the MPR and GDR even more firmly."

Sodnom, Namsray at Soviet Exhibition

*OW030310 Ulaanbaatar MONTSAME in Russian
1330 GMT 2 Sep 87*

[Text] Ulaanbaatar, 2 Sep (MONTSAME)—The "Electrical Engineering in the Everyday Life of the Soviet Man" exhibition opened today in [words indistinct]. It was organized jointly by the USSR Ministry of Electrical Equipment Industry, the mission to the MPR of the (Union of Soviet Friendship Societies), the Central Council of the Mongolian-Soviet Friendship Association, the MPR Ministry of Municipal Economy and Consumer Services, and the MPR Scientific and Technical Information Center.

Yu A. Nikitin, USSR deputy minister of electrical equipment industry, and T. Demchigdorj, MPR minister of municipal economy and consumer services, made speeches at the opening of the exhibition and noted that the present exhibition will clearly demonstrate the ways the Soviet electrical equipment industry [words indistinct] satisfies the needs of the Soviet man. There are sufficient grounds to think that the opening of the Soviet exhibition will give important impetus to further development of Mongolian-Soviet cooperation in the field of electronics, on a mutually beneficial base.

Present at the opening of the exhibition were the following leaders of the MPR party and government: D. Sodnom, T. Namsray, P. Damdin, B. Lhamjab, S. Lub-sangombo, [words indistinct] P. Jasray, deputy chairman of the MPR Council of Ministers; T. Gotob, secretary of the MPR People's Great Hural Presidium; S. Bold, G. Dashdebeg, R. Tsagaanhuu, and C. Tumendelger, chiefs of the MPRP Central Committee departments; and other officials; [words indistinct] diplomatic workers of the Soviet Embassy.

Sodnom, Batmonh Send Greetings to DPRK

*OW091101 Ulaanbaatar MONTSAME in Russian
1359 GMT 8 Sep 87*

[Text] Ulaanbaatar, 8 Sep (MONTSAME)—Mongolian leaders Jambyn Batmonh and Dumaagiyn Sodnom (?today) sent a congratulatory telegram to [words indistinct] on the occasion of the 39th anniversary of the founding of the DPRK.

The founding in 1948 of the first people's democratic state on Korean soil was a notable event which opened up a new page in the history of the Korean people; it was the culmination of a lengthy struggle for freedom and independence, the telegram notes.

Over the past 39 years the industrious Korean people, under the leadership of its tested vanguard, the Workers Party of Korea (WPK), having survived difficult trials,

have achieved great successes in the cause of socialist transformation of all facets of public life in the country, and have defended and multiplied its revolutionary [words indistinct].

The international prestige of the DPRK is growing unabated.

The MPR consistently supports the efforts and constructive initiatives of the DPRK directed at changing the Korean peninsula into a nuclear-free peace [words indistinct] basis and expresses its solidarity with the DPRK.

The telegram expresses complete conviction that the relationship of fraternal friendship and cooperation between the Mongolian and Korean peoples will continue to grow steadily for the benefit of the people of the two countries, in the interest of the common struggle for the triumph of the socialist cause, and for ensuring peace and security in Asia and in the whole world.

North Korea

IOC Asked To Delay Olympic Invitations

*OW160925 Tokyo KYODO in English 0917 GMT
16 Sep 87*

[Text] Pyongyang, Sept. 16 KYODO—North Korea has requested the International Olympic Committee (IOC) to postpone until after Thursday the sending of invitations to countries to compete in next summer's Seoul Olympics.

The North Korean Olympic Committee said the request was made in a September 15 letter addressed to IOC President Juan Antonio Samaranch by Kim Yu-sun, head of the committee.

Kim told Samaranch that the delaying of the invitations was necessary for North and South Korea to have another round of talks through the IOC after Pyongyang and Seoul hold a bilateral meeting to adjust their positions on the hosting of the games, a committee spokesman said.

Officials invitations to national Olympic committees to take part in the Seoul games are scheduled to be mailed on Thursday, just one year ahead of the games' opening.

Pyongyang delivered a letter to South Korea's Olympic Committee Tuesday proposing an urgent conference.

12 Sep Letter to South

*SK151036 Pyongyang KCNA in English 1031 GMT
15 Sep 87*

[Text] Pyongyang September 15 (KCNA)—A letter dated September 12 of Kim Yu-sun, chairman of the Olympic Committee of the Democratic People's Republic of Korea, to the chairman of the South Korean Olympic Committee, was handed to the South Korean side on September 15.

The DPRK side asked the South Korean side to receive the letter carrying an urgent and important proposal concerning the 24th Olympic games on September 12, but the latter received it in the conference room of the Neutral Nations Supervisory Commission at Panmunjom three days later.

The letter says:

I am sending this letter to you to propose an urgent and important matter concerning the 24th Olympic games.

As you know, the nearly three years old Lausanne joint meeting has come to a deadlock owing to the fundamental difference in the stands of both sides and a solution to break the deadlock has not yet been found with a few days before September 17 when invitation cards of the 24th Olympic games are due to be sent.

This greatly disappoints a large number of people of the world who hope that a final agreement would be reached at the Lausanne joint meeting and the 24th Olympic games be held smoothly.

The world people consider the Lausanne joint meeting to be dialogue between Olympic delegates of the North and the South of Korea mediated by the International Olympic Committee and regard the fundamentally different stands of the North and the South as what brought the Lausanne joint meeting to a deadlock.

Therefore, the Olympic organizations of the North and the South, direct parties to the meeting, should take urgent and decisive measures to bridge over the deadlock, conscious of their high responsibility for success of the meeting.

In this connection, we think that it is the basic way of settling the problem for the Olympic delegates of the North and the South to hold bilateral talks on the matters so far discussed at the Lausanne joint meeting to narrow the gap before the fifth Lausanne joint meeting.

We propose to your side that the Olympic delegates of the North and the South hold bilateral talks within the framework of the Lausanne tripartite meeting soon in Lausanne, Switzerland, or another place your side considers convenient.

I hope that your side will make an affirmative reply to our proposal at an early date.

Armitage Remarks 'Completely Exceed Limits'
SK140810 Pyongyang Domestic Service in Korean
0400 GMT 14 Sep 87

[Unattributed commentary]

[Text] According to a radio report from Seoul, Armitage, U.S. Assistant Defense Secretary for International Security Affairs, raved in a press conference held on 12 September at the conference room of the headquarters of the U.S. Forces in South Korea that the United

States will mobilize not only the U.S. ground forces, but also various manpower and material resources of the Navy and Air Force, if necessary for the support of the Seoul Olympics. He made such remarks while babbling about the possibility of someone else's provocation.

This is a violent, bellicose remark revealing an intention of northward invasion in a most undisguised manner and is an outrageous threat and menace to our peace-loving republic.

Needless to say, it is not the first time that the U.S. imperialists' criminal attempt to use the Olympics to justify their maneuvers for a northward aggressive war provocation has been revealed. However, the violent remarks of Armitage, an errand boy of the imperialists, completely exceed the limits, and show that the U.S. imperialists have reached such a stage as to lose even their ability to distinguish up from down, being engrossed with the frenzy of a northward war of aggression.

All facts merely reveal that due to the U.S. imperialists' criminal act, the 1988 Olympics are being reduced to a fate more miserable than that of the 11th Olympics in 1936, which were held up to ridicule by the Hitler-Nazi clique.

Having put forward a mass phased arms reduction proposal, we are making patient efforts to realize this proposal. We also intend to voluntarily cut 100,000 troops by year's end. However, Armitage babbled about our provocations. To those who have the use of reason, his remarks sound like the utterances of a lunatic.

The situation again reveals the true aims the U.S. imperialists and their stooges pursue in striving to designate the venue of the 24th Olympics in Seoul. The peace-loving people of the world will never tolerate the crimes of the U.S. imperialists and their stooges, who are maneuvering to use the Olympics as a means to justify their maneuvers for a northward aggressive war provocation and as a shield to conceal their vicious plan to provoke war.

Daily Comments on Remarks

SK150846 Pyongyang Domestic Service in Korean
2152 GMT 14 Sep 87

[NODONG SINMUN 15 September commentary: "Under the Disguise of Protection"]

[Text] Armitage, the U.S. assistant defense secretary for international security affairs who recently sneaked into South Korea, held a press conference on 12 September at the conference room of the headquarters of the U.S. imperialist aggressor forces in South Korea. At this conference, Armitage raved that there is no plan to withdraw U.S. forces, while describing the occupation of South Korea by the U.S. troops as based on the demand of the absolute majority of the South Korean people.

The aggressors who have illegally occupied South Korea and have dominated it with armed forces for more than 40 years are attempting to embellish their intention of

permanent occupation. This is indeed a detestable and shameless act.

How dare the United States make such an absurd and preposterous remark that the South Korean people demanded the occupation of South Korea by the U.S. forces! The U.S. imperialists are not protectors but aggressors and forcible occupiers. This is why the South Korean youths, students and people from all walks of life shouted such slogans as: We Cannot Achieve Democracy Unless We Depend on Our Own Strength; and Let Us Expel the Yankees! during the days of the June popular resistance struggle in South Korea.

Even at this moment, the anti-U.S. struggle continues. The fierce anti-U.S. trend which was rapidly enhanced on the occasion of the Kwangju situation in 1980 has become a trend of the times which cannot be blocked.

What the South Korean people unanimously demand is the withdrawal of U.S. troops and the removal of nuclear weapons. Even foreign news reports point to the anti-U.S. trend in the mass movement in South Korea. Unless one is a shameless aggressor, one cannot distort the solemn reality and legalize the policy for forcible occupation.

The U.S. imperialists' occupation of South Korea is a product of a colonial policy of subjugation and a requirement of their aggressive strategy toward Korea and Asia. Proceeding from this, the U.S. imperialists are frantically striving to hold on to South Korea and, taking it as a stepping-stone, they are attempting to realize their aggressive ambitions against all of Korea and the socialist countries.

Those who want the occupation of South Korea by the U.S. forces, if there is anybody like that in South Korea, are merely a handful of the ruling bunch and such traitors as the Chon Tu-hwan-No Tae-u Clique. That the U.S. imperialists are attempting to legalize their policy of forcible occupation while raving about the demand of the South Korean people is an intolerable mockery and an insult to the aspirations for the peaceful reunification of the nation and to the desires of the progressive people of the world.

The low level that the U.S. imperialists' fabrications and false propaganda have reached is shown in Armitage's remarks that not only the U.S. ground forces but also various manpower and material resources of the Navy and Air Force would be mobilized for the support of the Olympics, while raving about someone else's southward provocation on the occasion of the games. It is a fact clearly shown to the entire world that the threat of military provocation on the Korean peninsula comes from the South where 1,000-odd nuclear weapons are deployed against our republic and a large-scale operation designed for northward invasion continues. And the ringleaders are none other than the U.S. imperialists and their stooges, the Chon Tu-hwan-No Tae-u group of military gangsters.

This being the case, how can Armitage rave about someone else's threatening others? At a time when the colonial military fascist rule is shaking at its foundation in South Korea because of the people's persistent anti-U.S. and antidictatorial struggle and when the anticommunist system is collapsing like a drenched mud wall, a high-ranking official of the U.S. Defense Department flew in and made remarks about the mobilization of armed forces on the pretext of safeguarding the Olympics. This is a grave provocation against us and threat and menace against the South Korean people's struggle for independence, democracy, and reunification.

The U.S. imperialists are attempting to expedite troop reinforcement on the pretext of safeguarding the Olympics and to maintain and extend their colonial rule by means of force when it is in danger due to the people's anti-U.S. and antidictatorial advance. As long as the U.S. imperialists forcibly occupy South Korea militarily and as long as they continue military assistance to the puppets, tension on the Korean peninsula cannot be relaxed nor can genuine democratization by the people be realized.

The remarks of Armitage, who attempted to legalize the permanent occupation and arms expansion under the signboard of protection, challenging the demands and aspirations of the absolute majority of the South Korean people who reject the aggression of outside forces and who struggle for sovereignty, will only evoke greater anti-U.S. sentiments among the South Korean people.

U.S.-Japan Naval Exercise Criticized

*SK141113 Pyongyang KCNA in English 1013 GMT
14 Sep 87*

[Text] Pyongyang September 14 (KCNA)—*Nodong Sin-mun* Monday hits at the Japanese reactionaries for planning to stage large-scale fleet exercise on the sea around Korea for ten days from September 19 and a joint exercise with the U.S. naval forces from September 24 in the same place.

Saying that these military maneuvers are entirely for a war of aggression on other country, the signed commentary of the paper stresses:

The planned U.S.-Japan joint military exercise is mainly aimed at increasing the attacking capacity of the Japanese "Self-Defence Forces" so that the U.S.-Japan aggression forces will satisfactorily discharge a joint operation in case of "emergency" under the command of the U.S. forces.

The U.S. and Japanese aggression forces are directing the spearhead of their attack, first of all, against the Korean peninsula.

The Japanese reactionaries who have trained the "Self-Defence Forces" into ranking aggression forces in the capitalist world through several arms buildup programmes, hasten to open the door for an overseas dispatch of troops. This is immediately to take part in another war in Korea.

The slated military exercises on the east sea of Korea are a dangerous signal telling that the Japanese reactionaries, together with the U.S. imperialists, have emerged a main force of war in Asia.

What is not to be overlooked is that these military rehearsals are a provocative demonstration of armed forces to threaten the South Korean people's struggle for democratisation.

The Korean people and other Asian peoples heighten vigilance against the war moves of the United States and Japan.

Daily Denounces No Tae-u Trip to U.S.
*SK160647 Pyongyang KCNA in English 0545 GMT
16 Sep 87*

[Text] Pyongyang September 16 (KCNA)—The U.S. tour of the traitor No Tae-u is to win the trust of master and wangle the "presidential" chair through successful operation to seize power with the backing of the master, and the United States admits it for the purpose of improving his public image and making the best of him as a colonial stooge.

Nodong Sinmun today says this in a signed commentary on the American trip of the traitor No Tae-u.

The commentary goes on:

In Washington the master and the servant concealed what is essential and described the traitor No Tae-u's trip as if it were to contribute to the "development of democratic political system" in South Korea.

No Tae-u met Reagan and said the "June 29 declaration" would be "matured if it is encouraged." Reagan chimed in with the traitor No Tae-u by telling him that developments in South Korea are lucky and he is trusted.

What the traitor No Tae-u said means he will keep the fascist dictatorship by doing away with all elements obstructive to his seizure of power with the backing of the United States.

What Reagan told is his appraisal of the Chon Tu-hwan-No Tae-u group for hatching up the plot to remain in power according to the script given by him to tide over the crisis of the colonial rule being aggravated by the anti-U.S., anti-fascist struggle of the South Korean people. Reagan's remarks of "trust" is a hint that he will back the traitor No Tae-u to play a colonial servant well.

In Washington the master and the servant, in the long run, made a plot for the extension of the military fascist dictatorship under the cloak of "democracy".

Dealing of treachery and aggression in the United States is a vicious challenge to the demand and desire of the people for independence and democracy.

40th Session of WHO Opens in Pyongyang

Chong Chun-ki Opening Speech

*SK150621 Pyongyang KCNA in English 0501 GMT
15 Sep 87*

[Text] Pyongyang September 15 (KCNA)—The 40th session of the World Health Organization regional committee for South East Asia opened here today.

The session will sum up the achievements and experiences gained by South East Asian countries in the implementation of the WHO strategy to protect the health of all people till 2000 and discuss ways to further develop them, the action program and the plan and budget of the organization.

It is attended by delegations and delegates from South East Asian member nations and [words indistinct] international organizations.

Halfdan T. Mahler, director general of the WHO, is present at the session.

Minister of Public Health Yi Chong-yul made an opening address.

The opening session was addressed by the director general of the WHO and the regional director of the South East Asian regional office of the WHO.

Vice-Premier Chong Chun-ki made a congratulatory speech.

The opening session was followed by a plenary meeting.

Kim Il-song Meets WHO Director

*SK151104 Pyongyang KCNA in English 1047 GMT
15 Sep 87*

[Text] Pyongyang September 15 (KCNA)—The great leader President Kim Il-song, on September 15 received Halfdan T. Mahler, general director of the World Health Organization, and U Ko Ko, regional director of the South East Asia regional office of the World Health Organization. Present on the occasion were Vice-Premier and Foreign Minister Kim Yong-nam and Minister of Public Health Yi Chong-yul.

President Kim Il-song had a conversation with the guests in a warm and friendly atmosphere.

39th Founding Anniversary Celebrated

Daily Marks Anniversary

*SK110738 Pyongyang Domestic Service in Korean
2138 GMT 8 Sep 87*

[NODONG SINMUN 9 September editorial: "Let Us Energetically Advance Toward New Victory Under the Banner of the Republic"]

[Text] Today, a felicitous day, marks the 39th anniversary of the DPRK declaring its birth before the world.

Today our people celebrate the meaningful national day with the great national pride and revolutionary dignity of having achieved great victory in the revolution and construction and of having made the honor of the fatherland ring throughout the world under the banner of the republic.

Our republic was founded as a result of the bloody, protracted struggle by the Korean communists and patriotic people for national liberation and for the construction of an independent state under the banner of the republic.

The founding of the republic 39 years ago was an event of historical significance in our revolution and our people's lives.

The great leader Comrade Kim Il-song has taught: The founding of the DPRK, an embodiment of our people's unanimous desire to achieve the fatherland's freedom and independence, was a shining victory achieved by our people in the process of a rewarding struggle to build a wealthy and independent country under the wise policy of the WPK by firmly uniting around it. It was also a very significant event in the revolutionary struggle of our people, who are advancing toward the bright future of socialism and communism.

With the founding of the republic, for the first time in our history, our people have become a dignified people who independently explore their own fate as the genuine masters of the state and society. With the founding of the republic, our people have come to have their own powerful power of state [kukka chongkwon] and advance the revolution and construction vigorously, appearing in the international arena under the flag of an independent state.

The founding of the republic was a new emergence of an independent people as well as a stately birth of chuche Korea.

Over the past 39 years, our republic has traversed a proud road replete with victories and glories and has achieved great accomplishments that will shine forever in the clean history of the fatherland.

Under the leadership of the great leader Comrade Kim Il-song, the government of the republic has established a most advanced socialist system in our country, which was once dominated by exploitation and repression, by carrying out the socialist revolution and by accelerating socialist construction and has converted our once backward and weak country into a powerful and civilized country—a country that is politically independent, economically self-reliant, and which has a defensive self-defense.

By struggling under the banner of the republic, our people achieved great victory in the fatherland liberation war after dashing the armed invasion of the imperialist aggressors and credibly defended the national sovereignty and revolutionary gains by smashing the provocative movements repeatedly committed by the enemies.

Upholding the program for imbuing society with the chuche idea as presented by the party, the government of the republic has not only rendered our state and social system incomparably powerful, but also has unfolded a period of great national prosperity on this land by energetically carrying out the revolution and construction at a still higher level.

The might of our republic has now reached a new, unprecedented height in such fields as politics, economy, and culture. With the entire population strongly united around the party and leader in one mind and will, the driving force behind our revolution has been strengthened and developed to become invincible, capable of advancing the revolutionary cause and consummating it under any circumstances. This has become the base of the solid foundation of our country's socialist system as well as a firm guarantee of the republic's uninterrupted prosperity.

Today, our republic has become a people's paradise where everything serves the working popular masses. It shines as a strong country in which the economy, culture, science, and technology develop rapidly.

It is a clear manifestation of the republic's inexhaustible might that our people have not only completed the construction of the Sohae lockgate, a great construction project of global magnitude, in a short period of time, but also are now vigorously carrying out such staggering monumental edifices as the Sunchon vinalon complex and Kwangbok Street, while brilliantly implementing the 10 unprecedently grand major long-range targets. Through the continuously growing might of the republic, our people now foresee a dazzling future in which they will lead a more independent and creative life if they please.

With the government of the republic firmly maintaining the revolutionary lines of independence, self-reliance, and self-defense in all fields of state activity, the dignity of our fatherland is being credibly guarded even amid such a complicated atmosphere.

Today, our republic occupies a stately position in the international arena, exercising its complete sovereignty and, with the friendly ties between our country and various other countries in the world growing intensive, the ranks of supporters and sympathizers of our people's revolutionary cause are growing at an unprecedented rate.

Because it carries an indomitable might that no force on earth can destroy and has a high degree of dignity, the republic has become a genuine fatherland fully supported by the entire population as well as a beacon of hope for the fighting South Korean people and all the Korean compatriots abroad.

Indeed, never before in our country's 5,000-year history of has our fatherland shined so and displayed such a stately appearance as it does today. It is our people's

great pride and honor that they have built a chuche-oriented socialist country here that is as prosperous as it is today under the banner of republic.

The world-renowned changes and great transformations that brilliantly decorate the annals of the republic are the fruition of the wise leadership by the party and leader. The great leader Comrade Kim Il-song has wisely led the struggle by the government of the republic and our people for victory of the revolution and national prosperity and wealth, with the fate of the country and people shouldered on him alone.

The history of 39 years since the respected and beloved leader Comrade Kim Il-song began to lead the government of the republic was a course during which he has firmly established the chuche in state construction and activities and made uninterrupted advance and upsurges in the revolutionary struggle and construction projects.

With the great leader Comrade Kim Il-song illuminating the path for the government of the republic and our people to follow by presenting chuche-oriented lines and policy and by tenaciously leading the struggle designed to implement these lines and policies based on his iron-will, unrivaled boldness, and stubborn revolutionary operational power, the revolution and construction have been able to continue their march without experiencing a moment's stagnation or letup and a new history of our fatherland vigorously advancing while wonderfully displaying the superiority of socialism has been created in the process.

The history of the republic replete with great victories and changes is inseparably linked to our party's tested leadership.

Unfolding new grand plans for the revolutionary struggle and construction of the country based on the chuche idea, the dear Comrade Kim Chong-il has led the struggle of the government of the republic and our people to implement the plans on a single, victorious path.

With our party—which is endlessly devoted to the fatherland and people—vigorously guiding the government of the republic and our people to make them advance on a most straightforward road with profound ideology and uncommon organizational ability, great and endless renovations and changes have been achieved in project to remake nature and society and along with it, the might and honor of the fatherland were made to shine forever.

Thanks to the party's leadership, a firm guarantee capable of consummating the chuche revolutionary cause to the end has been provided and a still brighter future has been unfolded on the road our fatherland and people march along.

The great achievements of the party and the leader that have converted the fatherland into a powerful and endlessly prosperous chuche-oriented socialist country, thus

providing a guarantee for that very endless development over the course of leading the government of the republic, will shine forever amid the prosperity and development of the republic.

We now face the sacred mission of making still greater advances in the struggle for endless prosperity and development and the final victory of our revolution.

We should make the chuche fatherland a more prosperous and wealthy nation and a communist paradise by continuing to vigorously accelerate the revolution and construction by using the government of the republic as a weapon.

Faithfully upholding the leadership of the party and the leader is a condition for the decisive victory of the revolution and national prosperity. The greatness of the country and the people is at once the greatness of the leader. The fate of the revolution, the fate of the fatherland, depends wholly on how the popular masses uphold the leadership of the great party and the leader.

All cadres, party members, and working people should cherish deep in their hearts the pride and honor of carrying out the revolution, upholding the respected and beloved leader Comrade Kim Il-song as the head of our party and republic and tirelessly advancing along the single victorious path led by the leadership of the party and the leader, trusting their fate to the party. In this way, the entire population should consolidate the might of our country's socialist system, which constitutes a single solid sociopolitical organism, the strong driving force behind the revolution, to be indomitably strong by uniting firmly around the great leader [yongoja].

Thoroughly embodying the great chuche idea is a firm guarantee for the victory of the revolution and national prosperity. The Chuche idea is the unitary ideology of our revolution and construction, as well as the banner of infinite prosperity for our republic.

The basic recipe for the great victories the government of the republic and our people have achieved over the past revolutionary struggle and the construction of the fatherland lies in their having assumed the chuche idea as their unwavering guidelines and embodying it thoroughly.

We should deeply understand that the chuche idea is the lifeline of our revolution and fatherland and advance by raising still higher the revolutionary banner of the chuche idea.

All functionaries and working people should make the chuche idea and the chuche-oriented policies presented by the party and state their firm faith by intensively studying the works of the great leader Comrade Kim Il-song and party documents and then adopt a strong stand and the view of claiming that they know nothing except the chuche idea.

They should measure all problems by using the chuche idea and the chuche-oriented policies of the party and state as a yardstick and then handle them only according to their demands.

Achieving the complete victory of socialism is the most important revolutionary task the government of the republic and our people now face. All party members and working people should effect uninterrupted upsurges in socialist construction by firmly adhering to the militant tasks stated by the great leader Comrade Kim Il-song in his historic policy speech delivered during the first session of the Eighth SPA, For the Complete Victory of Socialism.

All sectors and all units should vigorously accelerate the work of remolding man, nature remaking, and society remaking without letup and consolidate the foundation of the state and social system under the banner of the three revolutions—ideological, technical, and cultural.

Particularly important is to do a good job in socialist economic construction. All functionaries of all sectors of the national economy, such as industry, agriculture, basic construction, transportation, and science and technology, should render our country wealthier and more civilized and fully display the superiority of our country's socialist system by brilliantly implementing the Third 7-Year Plan with fiery patriotic passion and revolutionary determination.

Achieving the independent and peaceful reunification of the country is the most pressing national task that faces the government of the republic and our people. With the divided fatherland as it is, no one can say that he has fulfilled the duty he bears before the fatherland and the people.

Our functionaries and working people should brilliantly realize the historic cause of national reunification by vigorously advancing and struggling in unity under the policy of our party and the government of the republic on national reunification.

We should further strengthen the international solidarity of our revolution and positively contribute to the revolutionary cause of the people around the world by thoroughly implementing the foreign policy of our party and the government of the republic.

Strengthening the people's government and enhancing its function and role is a significant key to achieving the victory of the revolution and national prosperity.

Functionaries of the bodies of power should see to it that the people's government smoothly fulfills its mission and role as a weapon that serves socialist and communist construction by thoroughly embodying the party's leadership and by organizing and executing all work in a way that corresponds to the interests of the working class and the popular masses. Also, they should concentrate more effort on strengthening the abidance of socialist laws and state administrative discipline, as well as on guaranteeing secrecy in the management of state affairs.

All functionaries of the people's bodies of power should always responsibly and smoothly carry out the revolutionary missions assigned to them, with their honor as commanding members of the revolution and faithful servants of the people cherished deep in their hearts.

Promised to our people who struggle for the just cause under the banner of the republic are victory and glory. Let us all further vigorously struggle to consummate the chuche revolutionary cause and the infinite prosperity of the country by uniting rock-solid around the party Central Committee led by the great leader Comrade Kim Il-song and around the government of the republic.

Yi Kun-mo 9 Sep Speech

*SK111140 Pyongyang Domestic Service in Korean
2305 GMT 9 Sep 87*

[Speech by Comrade Yi Kun-mo, member of the WPK Central Committee Political Bureau and premier of the State Administration Council, at a Pyongyang banquet on 9 September to mark the 39th anniversary of the founding of the DPRK—read by announcer]

[Text] Comrades and respected foreign guests, at a heart-warming time when the entire nation seeks with a gigantic labor struggle, to carry out the magnificent new prospective plan, we express congratulations on the 39th anniversary of the founding of the DPRK, the glorious fatherland.

On the occasion of the national day, with the authorization of the WPK Central Committee Political Bureau and in the name of the WPK Central Committee and the government of the republic, I warmly congratulate all the people who are devotedly struggling for the prosperity and development of the fatherland and for the victory of the socialist and communist cause.

At the same time, I extend militant greetings to the South Korean people who are courageously struggling for the nation's sovereignty, for national reunification, for the right to exist, and for democratic freedom by upholding the anti-U.S. slogan for independence and antifascist slogan for democratization, not yielding to the enemies' unprecedented fascist suppression.

I also extend warm compatriotic greetings to the 700,000 Korean residents in Japan who are vigorously struggling for the nation's prosperity and development and for the independent and peaceful reunification of the fatherland, cherishing dignity as citizens of the republic in an other's country, and to all overseas compatriots.

In the name of the government of the republic and all the Korean people, I warmly welcome the foreign comrades and friends who are present here to congratulate us on our national day.

Comrades, from its founding to the present, the DPRK has excellently fulfilled its mission as the genuine protector of our people's independent rights and as a mighty weapon for socialist and communist construction by thoroughly embodying the chuche idea in all fields of the nation's activities.

Under the party's leadership, the government of the republic has victoriously advanced the cause of building a new society by correctly organizing and mobilizing the

popular masses and by overcoming various trials and difficulties. Thus, it has attained great successes in the struggle for prosperity and development of the nation and for socialism and communism.

The gigantic work of reforming society, nature, and men has been vigorously carried out in our country under the banner of the republic and the cause of realizing the independence of the popular masses has advanced far. Today, our republic is accelerating the revolutionary march while seeing the approaching turning point in the complete victory of socialism.

Based on the brilliant successes attained in the revolutionary struggle and construction work, the social system in our country is being further consolidated and developed each day. Under the government of the republic, our people enjoy independent and creative lives while being ensured of genuine political freedom, democratic rights, and sufficient material and cultural benefits.

All innovations and great victories attained in the republic are the result of the wise leadership of the WPK headed by the respected Comrade Kim Il-song, the precious fruition attained by realizing the immortal chuche idea.

Thanks to the correct leadership of the party and the leader, the government of the republic has enhanced its function and role as the people's government by firmly maintaining an independent position at all times and at every step in developing the revolution. Thus, it has led the revolution and construction to ceaseless upsurges by vigorously accelerating the three revolutions—ideological, technological, and cultural—and unfolded a new era of prosperity and development unseen in the long history of our nation.

Today, the entire population of our country is united around the party and the leader in one mind, the people's government and the popular masses are firmly united with each other in blood, and the whole of society, forming a single ideologically and volitionally united body in terms of will, is energetically advancing toward a bright communist future.

The chuche idea is the ever-victorious banner of our revolution and the rock-firm ideological and volitional unity among the leader [suryong], the party, and the masses is the source of all our victories.

Assuming the chuche idea as its unwavering guiding ideology, the government of the republic will, as in the past, victoriously consummate our people's independence cause, the socialist and communist cause, by displaying the might of the indomitable unity and cohesion of our revolutionary ranks and by thoroughly implementing the party's three revolutionary lines.

Achieving the independent and peaceful reunification of the country is the paramount mission of our people, as well as a pressing task that faces the government of the

republic. The problem that must be settled before anything else in realizing our national reunification is to ease the tension that prevails on the Korean peninsula, to guarantee solid peace, and to create favorable conditions for peaceful reunification.

Motivated by the noble sense of mission in the cause of peace and national reunification, the DPRK Government last July put forward a proposal for a large-scale phased arms reduction after it proposed high-level North-South political and military talks. Not long ago it proposed holding North-South foreign ministerial talks, in which the United States would also participate, to discuss general affairs related to the proposal for arms reduction.

All these peace proposals we have advanced, and the measure we have taken on our own initiative to discharge 100,000 People's Army soldiers by the end of this year to send them to sites of socialist construction, are further clear expressions of the firm will and sincere efforts of our party and the government of the republic to remove the danger of another war on the Korean peninsula at all costs, to preserve and consolidate peace there, and to open a phase favorable to peaceful reunification, all of which are supported and welcomed by the progressive people of the world.

The government of the republic and our people are grateful for the efforts of the governments and people in various countries of the world that actively support and encourage our people's just cause for independent and peaceful reunification and will always remember them.

Although there still lay many obstacles to the cause of our country's reunification, the government of the Republic and the people will achieve, without fail, the historic cause of national reunification based on the three principles of independence, peaceful reunification, and great national unity amid the positive support and encouragement of people all over the world by crushing the plot of the splitists within and without to fabricate two Koreas and to provoke another war.

The government of the republic, which assumes the ideals of independence, friendship, and peace as its unwavering guideline in its external activities, will further develop friendly and cooperative relations with the progressive countries of the world, including the fraternal socialist countries and the nonaligned countries, and strongly struggle to check and frustrate the imperialists' scheme for aggression and war in firm unity with the peace-loving people of the world, and defend peace in Asia and the world at large.

Availing myself of this meaningful opportunity in celebrating the 39th anniversary of the founding of the republic, I propose a toast to the long life and good health of the great leader of our party and people Comrade Kim Il-song; to national reunification and the infinite prosperity of the republic and the victory of the socialist and communist cause; to the new labor successes and health of our heroic working class, cooperative peasants, and working intellectuals who are devoted

to the struggle to make the republic strong and wealthy; to the health of our sagacious men and officers of the People's Army and the People's Constabulary, and the personnel of the Public Security Forces who are strongly defending the security of the fatherland and the revolutionary gains; to the health of the members of the Chongnyon delegation, which is marking the meaningful national day in the socialist fatherland; to the health of the diplomatic representatives from various foreign countries and foreign comrades and friends who are here with us to celebrate our national holiday; and to the health of all the comrades who are participating in this gathering.

Moscow Workers' Rally 7 Sep

*SK160105 Pyongyang Domestic Service in Korean
2100 GMT 8 Sep 87*

[Text] On the occasion of the 39th anniversary of the founding of the DPRK, a congratulatory meeting of representatives of the workers in Moscow was held on 7 September.

A portrait of the great leader Comrade Kim Il-song, which was taken during his goodwill visit to the Soviet Union last year, together with Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, and other pictures concerning his visit to the USSR were on display.

Photographs showing the successes in socialist construction in our country and development of the DPRK-USSR friendship and cooperative relations were also displayed at the meeting site.

The flags of Korea and the Soviet Union were hung in front of the meeting hall and the slogan reading Long Live the Everlasting Friendship and Cooperative Relations Between the Korean and Soviet People! was hung.

Present at the meeting were R.N. Nishanov, deputy chairman of the USSR Supreme Soviet Presidium; I.A. Rogachev, deputy foreign minister; Y.U.N. Bystrov, deputy chairman of the Central Committee of the Soviet-Korean Friendship Society and USSR deputy minister; and responsible functionaries from the Soviet party, government, and public organizations together with representatives of the workers in the city.

Kwon Hui-kyong, ambassador of our country to the Soviet Union, members of the embassy, and members of the delegation of the DPRK-USSR Friendship Society headed by Kim Chi-ho, vice chairman of the Central Committee of the DPRK-USSR Friendship Society and vice minister of common education were invited to the meeting.

The meeting began with the playing of the national anthems of our country and the Soviet Union.

Deputy Minister Y.U.N. Bystrov made a speech at the meeting. Pointing to the significance of the founding of the DPRK, he said that the founding of the Republic was

a historic event in the Korean people's struggle for the liberation of the nation and society. Noting the proud course along which the republic traversed since its founding, he pointed out that under the leadership of the WPK, the republic created and consolidated the material and technological foundation for socialism and developed science and culture, thus effecting a great success in the struggle to promote the people's welfare. The republic turned into an independent socialist state with modern industry and advanced rural economy.

Referring to Korea-USSR friendship he said: Since the visit to the Soviet Union by the DPRK party and state delegation led by Comrade Kim Il-song, general secretary of the WPK Central Committee and president of the DPRK in May 1984 and since the talks held in Moscow between the leaders of the two nations in October 1986, the relations between Korea and the Soviet Union have been rapidly expanded and strengthened in many fields.

Today Soviet-Korea cooperation has reached a new stage in terms of quality and is full of new contents.

Concerning the issue of national reunification, he pointed out that the Soviet Union actively supports the efforts of the DPRK to force the U.S. forces to withdraw from South Korea, to hold constructive dialogue between the North and South, and to reunify the nation peacefully based on democracy without interference of outside forces. We welcome and fully support the 23 July statement of the DPRK Government which indicated concrete measures to reduce armed forces in a phased manner on the Korean peninsula by the North and the South and to have the U.S. forces withdraw from South Korea together with the nuclear weapons.

In conclusion, he sincerely wished the fraternal Korean people a new success in their struggle to accomplish the decisions of the Sixth WPK Congress, to implement the Third 7-Year Plan for the development of the national economy and to achieve national reunification.

Ambassador Kwon Hui-kyong also made a speech at the meeting.

8 Sep Moscow Rally

*SK121204 Pyongyang Domestic Service in Korean
2100 GMT 9 Sep 87*

[Text] On the occasion of the 39th anniversary of the founding of the DPRK, a rally was held on 8 September at the (Plezelu) cutting machine tool plant in Moscow. The rally was attended by (Uttolu Platov), vice chairman of the Soviet-Korean Friendship Society Central Committee, (Yuri Tetulov), secretary of the party committee of the plant; and employees at the plant, including Chief Engineer Vladimir (Buttolin).

Invited to the rally were a Korean-Soviet Friendship Association delegation headed by Kim Chi-ho, vice chairman of the Korean-Soviet Friendship Association Central Committee, vice minister of the Ministry of Common Education, and a functionary of the embassy of our country in the Soviet Union.

Vladimir (Buttolin) gave a speech at the rally.

In his speech, warmly congratulating the Korean people who greet the 39th anniversary of the founding of the republic, Vladimir (Buttolin) stated that the founding of the republic was not only a most important event in the long history of Korea, but that it has also greatly contributed to consolidating the international position of socialism and to consolidating peace and security in Asia.

He said that the working people of the DPRK today are successfully implementing the decision of the Sixth WPK Congress and the Third National Economic Development 7-Year Plan task under the leadership of the WPK headed by Comrade Kim Il-song.

Referring to the development of friendly and cooperative relations between Korea and the Soviet Union, he stressed that the meeting last October between Comrade Kim Il-song, general secretary of the WPK Central Committee and president of the DPRK, and Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, was an important occasion for promoting cooperation between the two countries to a higher stage which opened a new possibility for actively developing relations between the two countries in a multilateral manner, and greatly contributed to strengthening mutual cooperation between the two fraternal parties and between the two countries in the struggle for peace and international security.

In conclusion, he expressed full support for and solidarity with the peaceful initiatives of the WPK and the government of the republic for national reunification and sincerely wished the fraternal Korean people new success.

Vice Minister Kim Chi-ho also spoke at the rally.

Embassies Mark Anniversary

SK160903 Pyongyang Domestic Service in Korean
1300 GMT 12 Sep 87

[Text] Our country's embassies in socialist countries arranged banquets to mark the 39th anniversary of the founding of the DPRK.

Our embassy in Bulgaria arranged a banquet on 2 September, and our embassies in the GDR, Cuba, Hungary, and Albania held banquets on 8 September.

The portrait of the great leader Comrade Kim Il-song was respectfully placed in front of the banquet halls. Photographs showing the on-the-spot guidance given by the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il for the works of various sectors were exhibited. Pictures showing brilliant successes attained by our people in the revolution and construction under the wise leadership of the WPK and the government of the republic were also displayed in the banquet hall. Grigor Stoichkov, candidate member of the Bulgarian

Communist Party Central Committee Politiburo and deputy chairman of the Council of Ministers; Slavcho Trunski, member of the party Central Committee and chairman of the Committee for Solidarity With Asian and African People; Lilyana Vasileva, member of the party Central Committee and deputy chairman of the Bulgaria-Korea Friendship Society; and Aleksandur Strezov, deputy foreign minister were invited to the banquet.

Horst Dohlus, member of the Political Bureau of the Central Committee of the Socialist Unity Party of Germany and secretary of the party Central Committee; Manfred Flegel, deputy chairman of the Council of Ministers; (Leonhard Helmschrott) and Ilse Thiele, members of the Council of State; and Herbert Krolkowski, state secretary and first deputy foreign minister were invited.

Jose Ramon Fernandez, candidate member of the Political Bureau of the Communist Party of Cuba Central Committee and vice president of Council of Ministers; Pedro Ross, secretary of the party Central Committee; Urbelino Betancourt, member of the party Central Committee and deputy general chief of staff of the Ministry of the Revolutionary Armed Forces; and Melba Hernandez, member of the party Central Committee and director of the Research Center for Asian and Oceanic Affairs of the party Central Committee were invited to the banquet.

Matyas Szuros, secretary of the Central Committee of the Hungarian Socialist Workers' Party; Rezso Trautmann, vice president of the Presidential Council; Istvan Horvath, deputy premier of the Council of Ministers and Laszlo Medve, minister of health were also invited to the banquet.

Luan Babameto, Albanian minister of communications and functionaries from the party, the government and public organizations were invited to the banquet.

The participants in the banquets toasted to the good health and long life of the great leader Comrade Kim Il-song, to the good health and long life of the dear leader Comrade Kim Chong-il, and to the good health and long life of the leaders of the countries concerned.

South Korea

KOC Willing To Hold Talks With North
SK151115 Seoul YONHAP in English 1109 GMT
15 Sep 87

[Text] Seoul, Sept. 15 (YONHAP)—The President of the South Korean Olympic Committee [KOC] said Tuesday that North Korea has proposed direct talks with the South to discuss the 1988 Seoul Olympics.

Kim Chong-ha, the South Korean Olympic Committee president, said he will give an answer after close consultations with the International Olympic Committee (IOC).

In a news conference, Kim said that his North Korean counterpart, Kim Yu-sun, proposed direct talks with the South in Lausanne, Switzerland, where the IOC is headquartered, or any other place desired by the South as soon as possible, prior to a fifth round of talks involving the two Koreas and the IOC.

Kim said the KOC is willing to hold talks with any national Olympic Committee, and that there is no reason that Seoul can not hold direct talks with the North Korean committee.

Both Koreas and the IOC held four rounds of talks to discuss the matter of allowing North Korea to stage part of the 1988 Summer Olympics, which was officially awarded to Seoul by the IOC at its 84th general assembly in Baden-Baden, West Germany, in September 1981.

The fourth inter-Korean sports talks ended without significant progress last July as North Korea stuck to its demand that it be allowed to host eight of the 23 Olympic events on the basis of the North's population compared to the South's.

In the fourth meeting the IOC offered Pyongyang the chance to stage part or all of five events.

The IOC, in making what it termed its final offer, asked both Koreas to respond before Sept. 17, one year to the day before the games open in Seoul and the date when the formal invitations to the games will be sent.

The Seoul Olympic Committee has previously announced it would accept the IOC offer.

Pyongyang, unhappy with the proposal, has sought a fifth-round of talks with the IOC and South Korea in an effort to win additional sports and be named cohost of the '88 Olympic games.

Kim said that two emissaries of his committee contacted their North Korean counterparts directly and received the letter at 3 p.m. (0500 GMT) Tuesday at the truce village of Panmunjon on the border between South and North Korea.

Kim said he was leaving for Lausanne later Tuesday to attend ceremony Thursday for sending invitations to the 1988 Olympics and that he is carrying the North's letter to IOC headquarters.

U.S. Position on Democratization Moves Viewed
SK120723 Seoul HANGUK ILBO in Korean
11 Sep 87 p 2

[Article by Washington-based correspondent Yi Chae-sung in the "Reporter's Eye" column: "The United States Declares Its Neutrality"]

[Text] The long and winding path called the march toward democratization has entered a final, uphill stage toward its climax—the presidential election. The United

States, which has been involved in the political drama in Korea, whether it has wanted to or not, seems to be taking care of its position as the drama edges toward its conclusion. The U.S. State Department considers getting involved in Korea's presidential election campaign taboo. U.S. State Department Spokesman Charles Redman's comment on DJP President No Tae-u's scheduled visit to the United States can be called a yardstick in understanding how prudent the U.S. State Department can be concerning political development in Korea. His comment was brief and clear. "President No's visit is private. Since the Korean Embassy is arranging his itinerary, you can obtain detailed information about his visit from the Korean Embassy."

"Our leadership normally meets with major Korean figures from both the government and the opposition. Our meetings with President No have absolutely no implication for U.S. support or involvement in Korea's current political campaign."

"The United States firmly supports the process of Korea's peaceful political democratization, but no particular Korean political candidate or party."

Spokesman Charles Redman has merely echoed what Gaston Sigur, U.S. Assistant Secretary of State for East Asian and Pacific Affairs, declared in his speech last July before a foreign policy institute in New York in which he said that the Unites States takes a neutral stand concerning political development in Korea.

President No's scheduled meeting with U.S. President Reagan, the focal point of his private visit to the United States, remains an unknown factor for the time being. President Reagan who just returned to the White House on 6 September from a nearly month-long summer vacation has staggering domestic and foreign problems to deal with before the end of this year, which include the confirmation of Judge Bork, whom he has nominated to the U.S. Supreme Court; talk of a U.S.-Soviet summit; trade actions; the contra issue; and a truce in the Iran-Iraq war. Whether DJP President No's meeting with President Reagan will be a political asset or liability remains to be seen. However, he must have decided to visit the United States in the belief that it would be an asset to his political stature.

The U.S. side will have no reason to oppose meetings between the U.S. leadership and President No, the presidential candidate of Korea's ruling party. Through his first visit to the United States, President No will introduce himself to high-ranking officials of the U.S. Administration and the U.S. Congress.

The U.S. press voluminously reports on Korean situation and handles it rather objectively.

Three major U.S. dailies, *The New York Times*, the *Washington Post*, and the *Los Angeles Times*, report almost each day on the changes in Korea, which have been taking place at a dizzying rate since the 29 June

declaration, including the labor disputes, the compromise on constitutional revision, and Kim Tae-chung's visit to South Cholla Province, including Kwangju, in a competitive manner. In the process of such a microscopic examination, the three Korean contenders for the presidential office, President No Tae-u, Advisor Kim Tae-chung, and President Kim Yong-sam, have become well known to Americans. Viewed in this light, President No's visit to the United States can be viewed as an opportunity to present President No to the Americans.

An examination of the tendency of U.S. dailies to report the Korean situation shows that they are likely to treat the presidential election campaign in Korea, that is, the political timetable for democratization, as extensively as something approaching the U.S. presidential election campaign. Accordingly, the voice of the U.S. State Department proclaiming its neutral stand is likely to grow louder.

Greek Technology Cooperation Pact Signed
SK160610 Seoul YONHAP in English 0557 GMT
16 Sep 87

[Text] Seoul, Sept. 16 (YONHAP)—South Korea and Greece Wednesday concluded an agreement on scientific and technological cooperation, the Korean Foreign Ministry reported.

Greek Foreign Minister Karolos Papoulias and his Korean counterpart Choe Kwang-su signed the agreement, designed to promote bilateral cooperation in science and technology between their two countries.

The agreement contains a preamble and a body comprising eight articles. The main points covered by the agreement are exchanges of scientific and technological information and exchanges of visits by scientists and technical experts, the financing of projects of mutual interest, and technical assistance and support to parties interested in technology transfer.

The agreement also includes the establishment of a Korean-Hellenic committee for scientific and technological cooperation. The committee will consist of an equal number of representatives from each government while invited experts may also attend.

The agreement becomes effective upon ratification.

With the agreement, a South Korean Foreign Ministry official said, we have obtained a foothold in Europe for expanding technological cooperation with European countries.

Earlier in the day, Papoulias paid a courtesy call on South Korean President Chon Tu-hwan and visited the national museum.

The Greek Foreign Minister is scheduled to leave Korea Wednesday afternoon, winding up his four-day official visit here.

DJP President No Tae-u Interviewed
SK112314 Seoul HANGUK ILBO in Korean
11 Sep 87 p 3

[Interview with DJP President No Tae-u by unidentified senior political reporter of HANGUK ILBO at the office of the party president in the central building of the DJP in Seoul on 10 September]

[Excerpts] [Reporter] People are interested in your visit to the United States. What is the background of your abrupt decision?

[No] I received invitations from many U.S. organizations in the past. However, I put off my visit as I was very busy. The ruling and opposition parties are now advancing the issue of constitutional revision to an agreement, presumably prompted by the 29 June declaration. I noted that many foreign reporters there are greatly interested to know about me. In other words, they hope that I will visit the United States and answer their questions and resolve their doubts. As the regular National Assembly session begins on 20 September, I thought I would be unable to share my time after this date. Thus, I have decided to make a brief visit beforehand. With the 29 June declaration, they seemed to realize that our politics are developing as significantly as our economy. I think it is meaningful that on the occasion of my visit, we show our nation's democratic development. I also want to take this opportunity to consolidate friendship and cooperation as partners between Korea and the United States by meeting the leaders there whom I have met before.

[Reporter] What is your opinion about the essence of Korea-U.S. relations? There are a number of impending questions to be resolved including the trade pressure. What do you intend to stress when you visit the United States?

[No] Past Korea-U.S. relations were relations between a donor and a recipient of aid. However, they are now developing into cooperative relations between the partners. It is true that the interests of the two countries run counter to each other to some extent in the domain of trade because they maintain relations as competitors. As for U.S. protectionism, our position is that we must break through this barrier and pursue the trade competition between the two sides based on the principle of free trade. When I hold talks with U.S. leaders, I will strive to persuade them to ease their protectionist trend, as well as their trade pressure in such a way as to give benefit to our nation, even to a slight degree. In fact, I regret that we did not have much time to give our attention to the important issue concerning Korea-U.S. trade because of repeated flood disasters and labor disputes.

[Reporter] Do you think there is any problem in Korea-U.S. security?

[No] Basically, there is no problem. However, it is true that our combat capability is inferior to that of North Korea. Korea and the United States are jointly striving

to maintain the balance in combat capability. It is desirable that the two nations continue their efforts to do so in the future.

[Reporter] Anti-U.S. sentiment has been touched off among some radical leftist forces. What do you think of this?

[No] I think that the anti-U.S. sentiment was caused mainly by two sources. One is North Korea's propaganda through radio, handbills, and other materials. Another one is the discord between the classes which was inevitably caused in the course of our industrialization. Leftist ideas were generated on their own among some of those who have little or nothing. It is true leftism finds sympathy on campus. The problem exists in their understanding of the history of the modern age. Our nation was liberated thanks to the independence movement of our forefathers and to the help of the allied nations, including the United States. Today Korea and the United States are cooperating with each other based on equality. However, the leftists claim that Korea-U.S. relations were master-servant relations from the beginning and that even today the United States is dominating our country politically, militarily and diplomatically, thus misunderstanding the facts. I regret this. There certainly is concern over the possibility of expanding anti-U.S. sentiment based on leftist ideas and prompted by North Korea's communist propaganda when social disorder is created. Therefore, we all should make our best effort to block it.

[Reporter] The negotiations for constitutional revision are in the final stage without serious problems and talks for supplementary bills will begin soon. What is your view on the prospect for the political climate this autumn?

[No] I firmly believe that the presidential election, agreed on between the ruling and opposition parties, will certainly be held in December. I understand that for this, both ruling and opposition parties have already begun the preparations for the presidential election.

[Reporter] The influence exercised by student demonstrations and labor disputes over the political sphere cannot be ignored.

[No] It is true that the people are worried over campus disturbances and labor disputes. However, I firmly believe that everything will be settled, even if there are some difficulties, with the support of public opinion and with the strong will of the government. [passage omitted]

[Reporter] When do you plan to officially nominate the candidates of the DJP for the National Assembly, before or after the presidential election?

[No] I think it is an issue that should be discussed after the ruling and opposition parties agree when the general elections will be held. But personally, I think nominations are desirable after the presidential election. [passage omitted]

[Reporter] When do you think was the most difficult time during the Fifth Republic.

[No] I think now is the very time I would describe as difficult. But I think just as one reaches a valley after successfully crossing a mountain pass, we can safely reach a valley of a mature and balanced democratic society after overcoming this difficulty involved in democratization. Our people have survived wisely overcoming many adversities and hardships, and I believe that they will wisely overcome the present difficulties as well. [passage omitted]

[Reporter] Are you confident of the DJP's retaking power?

[No] I am convinced that the majority of the people will support us when our party shows the people its resolve to practice democracy with an attitude of sharing dreams and pain with the people, setting "the second founding of the party" as its objective.

[Reporter] Which stratum of the people do you think the DJP is relying on? What is your assessment of the force aspiring for stability and the middle class?

[No] According to a recent survey conducted by a local daily, over 70 percent of the people in our country regard themselves as middle class. I believe that after the 29 June declaration almost all strata of the people, including the middle class, which forms the majority and that aspires for development in stability; the farmers and fishermen; and the common urban people, will deeply appreciate and support our party's objective and position.

[Reporter] Are you thinking of the possibility of being defeated in the election as well?

[No] The core of the spirit of the 29 June declaration is fairness and impartiality. If our party does its best to convince the people—the masters of the country—that the attitude of the ruling party is unprecedentedly fair in the general elections, the people will certainly make a wise judgment for the prosperity of the country for generations to come. [passage omitted]

[Reporter] What do you think is the prospect for a single presidential candidacy in the opposition party, especially between the two Kims in the RDP?

[No] I would like to decline from making a comment on this subject as it is their internal party matter, but I think a single candidate will be possible after all. Rather than being sensitive to whoever my rival will be, I will do my best to read and uphold the mind of the people.

[Reporter] It is rumored that Kim Chong-pil, the former president of the Democratic Republican Party, is planning to found a new political party. What is your opinion of it? Are you going to meet him?

[No] It seems to me that there is not a definite move for it. I do not have any particular reason to meet him. I do not know him well personally either.

[Reporter] Have you not regretted your move into politics?

[No] No, I never have. I think it is my historical mission to carry out democratic reforms and I am determined to devote myself to it. In this sense, I regard it as rewarding that I have entered politics.

YONHAP Assesses Labor Dispute Damage
*SK120057 Seoul YONHAP in English 0030 GMT
12 Sep 87*

[by Chae Song-hui]

[Text] Seoul, Sept. 12 (YONHAP)—Labor tension in Korea has clearly eased with a substantial number of strike-ridden large and small work places nationwide resuming normal operations in September. However, the thousands of strikes and slowdowns reported during the past two months have led to a considerable loss in exports in August, and, worse yet, are believed to have seriously undermined the productivity of the nation's manufacturing sector.

The monthly trade surplus for August plunged to a slim 94 million U.S. dollars, a drastic drop of nearly 800 million dollars from the level of the previous two months. The Trade and Industry Ministry says that the monthly trade surpluses in the coming four months will remain slender, pulling down the yearly surplus total to 5 billion dollars or less. The original total was estimated at about 7 billion dollars.

Some economic experts are even more pessimistic. They predict that in a number of cases, the strikes have sagged work ethics and workers' morale, thereby dealing a serious blow to productivity across-the-board in the manufacturing sector.

Here follow reports on the situations facing major industrial sectors in the aftermath of the recent strikes:

Automobiles — The long suspension of the automobile plants has inflicted enormous damage on subcontractor businesses, as well as the plants themselves, driving many of them to the brink of bankruptcy. The five motor companies had planned to manufacture 97,240 units of various types in August, but their actual production halted at 31,070 units or 31.9 percent of the target. The gap amounts to a production loss of 326.8 billion won (403 million U.S. dollars).

Passenger car exports by the three automakers — Hyundai, Daewoo and Kia Motors — will remain at the 550,000 unit level this year, far short of the original target of 685,000 units. Hyundai, the largest passenger carmaker, and Daewoo were reported to have resumed full operations as of Sept. 9. However, thousands of subcontractors who supply automobile parts are facing serious financial difficulties. Sources say it will take no less than six months for the nation's automobile industry to fully recover from the damage. The automakers suspended plans to invest an aggregate 1 trillion won (1.23 billion dollars) to expand production lines this year.

Textiles — Korea's textile industry, it is feared, will suffer a considerable loss of competitiveness in the world market because of rising costs attributed to wage increases and the continued appreciation of Korea's won currency against the U.S. dollar. The weaving plants are facing an acute shortage of raw materials after the long strikes which hit spinning factories. Such major companies as Tongyang Nylon, Taekwang Industrial, Hanil Synthetic Fiber Industrial, Choongnam Spinning and Tongil Textile say their production has been suspended for at least 15 days. This has forced Tongkook Trading Company and other textile product exporters to tender urgent orders to Taiwanese makers as an alternative way of procuring necessary products. Some exporters have even employed such extraordinary means to deliver goods as utilizing international air cargo services in an effort to meet delivery deadlines.

Each of the firms affected by the labor unrest is believed to have suffered a 5 to 10 percent loss in both domestic sales and exports. As for Taekwang, which was hit the hardest, total sales will have decreased by 20 billion won (24.8 million dollars) worth this year. The situation is such that the garment industry has virtually stopped making deals with foreign buyers.

Electronics — the arrival of letters of credit (L/C) dropped in August to 720 million dollars worth or less than the previous monthly averages by nearly 200 million dollars. Lucky and Daewoo Electronics have resumed normal operations, but the labor productivity on their production lines remains at 60 percent of capacity.

The monthly gross production in the electronics industry plunged to 1,020 million dollars worth in August from the average 1,400 million dollars of the previous months. The new wage increases, coupled with those implemented during the regular wage readjustment season earlier this year, would mean an upsurge of labor costs by an average of 25 percent.

Shipbuilding — According to statistics filed at the Korea Shipbuilder's Association, Korea exported only two freighters in August, while building three vessels. In terms of tonnage, the exports amount to only 36.8 percent of the tonnage recorded in the corresponding month of last year while the tonnage of the three new vessels amounts to only 24 percent of that recorded in the same month last year. Daewoo Shipbuilding and Heavy Machinery's suspension of operations has caused a production loss of 50 billion won (62 million dollars). The total financial burden resulting from the wage hikes, financing costs and other factors amounts to 34.1 billion won (42 million dollars), according to company officials. A substantial number of the shipbuilders' subcontractors are faced with a financial crisis.

Steel — Eighteen companies including Inchon Iron and Steel and Sammi Steel have been affected by the labor unrest. However, the extent of damage has been reported as relatively small since workers upheld the principle of

seeking a negotiated settlement to end their wage disputes. The setback in production was valued at 40 billion won (49 million dollars) in August. Export losses were estimated at 120 million dollars since the beginning of August. The industry's export target for this year has been set at 2.7 billion dollars but meeting the target will not be easy.

Footwear — Exports in August dropped by 55 million dollars to the 190 million dollar range from that of the previous month. Kukje-Icc Corp., the largest footwear maker, suffered an export loss of 25 million dollars, coupled with a loss in domestic sales amounting to 3,060 million won (3.8 million dollars), after a 20-day work stoppage. Tongyang Rubber Enterprise reported an export loss of 1.8 million dollars after a three-day strike. An additional 8.3 percent average wage hike, coupled with an 8.7 percent regular increase earlier this year, will inevitably result in an average across-the-board cost increase of 3.6 percent.

General Trading Companies (GTCs) — Seven GTCs reported an aggregate export loss reaching nearly 400 million dollars worth in August alone. They expect the losses will be much higher in September reaching approximately 1 billion dollars. The profitability of their export businesses has deteriorated, partly because they have been faced with additional expenses incurred by relying on air cargo services to ensure urgent deliveries of export goods.

RDP Rejects Offer To Join Labor Panel
SK100030 Seoul THE KOREA TIMES in English
10 Sep 87 p 2

[Text] The main opposition Reunification Democratic Party rejected the proposal of the Federation of Korean Industries [FKI] for forming a task force to be composed of representatives from labor, management, administration, the ruling and opposition parties to settle labor disputes.

RDP spokesman Kim Tae-yong said, "Our party can understand the purpose of the proposal by the FKI, but it would be undesirable for the political parties to meddle directly in the labor disputes."

The RDP spokesman then claimed that "the on-going labor disputes have resulted from the explosion of discontent of laborers whose proper rights and demands have been suppressed."

"Therefore, we have to censure the irresponsibility of the government and the management in meeting the reasonable demands of laborers," said the RDP spokesman.

Police Oppose Replacing Labor Leaders
SK152355 Seoul THE KOREA TIMES in English
16 Sep 87 p 3

[Text] The National Police Headquarters [NPH] is opposed to the replacement of the current labor union leadership of Hyundai Heavy Industries on the grounds

that it may aggravate the protracted labor strife due to possible repercussion from workers, it was learned yesterday.

To this effect, NPH yesterday asked the Kyongsang-namdo Labor Committee not to issue orders for the Hyundai labor union to replace the present union leadership.

Most of the Hyundai union leaders are now under arrest on charges of fanning labor protests including violent and destructive street demonstration on Sept. 9 in which Ulsan city hall was attacked by angry workers. Among the arrested is Yi Hyong-kon, head of the labor union.

Since the arrest of the labor leaders, thousands of Hyundai workers have been staging sit-in protests daily at the Ulsan shipyard compound, demanding the release of their leaders, higher pay and better working conditions.

According to NPH officials, they made the decision after judging that the government order is sure to backfire and aggravate public opinion.

Since the management of Hyundai Heavy Industries requested the government to order the dissolution of the labor union last week, there has been growing criticism that the management virtually gave up efforts to negotiate with workers.

Thus, the nation's top police organ concluded that the dissolution order will only give the general public the impression that the authorities are suppressing the labor union in collaboration with the big business group.

Officials of the Labor Ministry Ulsan office also are of the same opinion that the order for union leadership replacement cannot be of help for the solution of the labor dispute. Rather, the step will be construed as government suppression of the labor union, they said.

Meanwhile, representatives of the Hyundai labor union also expressed their opposition to the replacement of the current labor leadership yesterday.

Constitutional Proposal Draft Expected
SK160652 Seoul YONHAP in English 0631 GMT
16 Sep 87

[Text] Seoul, Sept. 16 (YONHAP)—South Korea's major rival parties put an end Wednesday to the issue of constitutional revision, when they agreed to hold general elections within six months of the proclamation of the revised Basic Law and that the new constitution will become effective on Feb. 25 with the inauguration of the new government.

The agreement reached during a meeting of eight representatives from the ruling Democratic Justice Party (DJP) and the main opposition Reunification Democratic Party (RDP) will be inserted in the addenda to the constitution.

The two parties will call for a National Assembly plenary session on Friday to propose the draft of the Constitution, setting in motion the process of changing the basic charter, which is expected to be finalized with a referendum on the draft late next month.

Under the bipartisan accord, general elections are to be conducted prior to April. The *Tong-A Ilbo*, a leading daily here, reported, however, that it is almost certain that the elections will be held in February on grounds that the government party has favored the February elections and the current president is entitled to dissolve the National Assembly.

Regardless of which candidate may be elected in the presidential election, *Tong-A* quoted political sources as saying that it would hardly be conceivable that the present chief executive would entrust general elections to the care of the next government. Chon Tu-hwan is to step down as the republic's president on Feb. 24, 1988, at the end of his single, seven-year term.

Representatives from the ruling party assured their RDP counterparts that the ruling camp will make sincere efforts for the release of political detainees, and their amnesty and reinstatement and that the revision of the Presidential Election Law will be made in a manner to ensure fair elections. The RDP has persistently demanded the release, amnesty and reinstatement of political prisoners.

Representatives from the two parties failed, however, to iron out their differences on the term of the incumbent chief justice, the head of the Board of Audit and Inspection and other board members, who were appointed under the current Constitution.

The ruling party wants the incumbents to serve out their remaining terms under the incoming government, while the opposition party favors their retention until Feb. 24, when the current administration ends, with the remaining terms up to the decision of the president of the new government.

The ruling and opposition camps were to start the process of amending the constitution in an extraordinary National Assembly session on Sept. 11, but differences on the contents of the Constitution's addenda prevented them from doing so.

RDP Announces Election Campaign Policy
SK160037 Seoul THE KOREA TIMES in English 16 Sep 87 p 2

[Text] The major opposition Reunification Democratic Party announced the basic framework or philosophy that will determine its 100 election pledges yesterday.

The campaign pledges are being formulated seeking to project a vision for a welfare state, Pak Chan-chong, chairman of the RDP policy deliberation committee said yesterday.

The election [strategy will] call for creating integrating or abolishing various government organizations within the limits of the state budget and retaining existing government personnel, the RDP said.

The RDP will adopt campaign pledges which are realistic and attainable within a stated time, Rep. Pak said.

He also added that the main opposition party will adopt pledges that will not put a financial burden on taxpayers and which will be achievable within the state budget.

The pledges on economy, foreign affairs and national security will be decided upon after gathering full information and background from government experts and professors and the general public, he pointed out.

The campaign promises will highlight the RDP's national unification policy, he said.

The draft 100-point campaign commitments the RDP announced the week before last will be refined and readjusted to accord with the new basic guideline and the results will be laid bare to the public soon, the policy deliberation committee chairman added.

The basic framework was formulated in a meeting of the party's executive council under the chairmanship of Kim Yong-sam.

RDP president Kim Yong-sam said at the meeting "Now is time for the major opposition party to devote all its energy to a full-dress election campaign."

He also added that the organizational hierarchy of the party must adjust to cope with the upcoming elections, due in less than 100 days.

The basic framework was arrived at without the participation of RDP standing advisor Kim Tae-chung who was meeting Gaston Sigur, U.S. assistant secretary of state for East Asian and Pacific affairs.

Signs of RDP Factions Suspending Strife
SK160123 Seoul THE KOREA HERALD in English 16 Sep 87 p 2

[From the "Out and About" column]

[Text] The two rival factions in the main opposition Reunification Democratic Party yesterday showed signs of suspending strife for a single opposition candidacy for the presidential election.

RDP President Kim Yong-sam, who is in an uneasy tandem with permanent party adviser Kim Tae-chung, said, "With only about 90 days to go before the election, we have to formulate election pledges."

"The ruling DJP is strengthening its rank and file. In particular, its presidential candidate No Tae-u is on a tour of the United States as part of their election campaign," he said.

Last week, followers of Kim Yong-sam decided to promote Kim as the opposition candidate. Kim Tae-chung toured several provincial areas to create a "Kim Tae-chung boom" there.

Kim Yong-sam To Join Kim Tae-chung in Tour
SK100007 Seoul THE KOREA TIMES in English
10 Sep 87 p 2

[Text] Reunification Democratic Party president Kim Yong-sam has accepted the proposal of permanent advisor Kim Tae-chung for their joint tour of provincial areas to attend the inauguration of local chapters of the major opposition party.

The RDP president told reporters yesterday that he has received a proposal from permanent party advisor Kim for travelling together to Pusan, Kwangju and other cities.

"I think it better to go together to attend the rallies to inaugurate local chapters of Kwangju and other cities after appointing the heads of the local chapters in vacancy," RDP president Kim said.

Kim Tae-chung is now on a tour of Kwangju and Mokpo in an apparent popularity campaign.

As to Kim Tae-chung's visit to Kwangju, RDP president Kim said, "I feel gratitude for the hundreds of thousands of citizens of Kwangju and Cholla-namdo province who welcomed advisor Kim who is visiting the province after 15 years of absence."

"The warm reception of Kim was a sure sign for the democratization," added the RDP president.

Party president Kim, however, reiterated his call for an early selection of a single presidential candidate from the major opposition party.

"The sooner the selection of a single presidential candidate, the better," said Kim.

Instead of the early selection of the RDP presidential candidate, Kim Tae-chung suggests that 36 local chapters of the party should be inaugurated as soon as possible in the face of the presidential election scheduled for the middle of December.

Kim Yong-sam commented, "The suggestion for the early inauguration of the local chapters may give an impression that it is designed to delay the selection of a single presidential candidate."

Kim Chong-pil To Discuss Merger With KNP
SK160043 Seoul THE KOREA HERALD in English
16 Sep 87 p 2

[Text] Kim Chong-pil, who is seeking to create a political party along with other former politicians, will meet tomorrow with Yi Man-sop, president of the minor opposition Korea National Party for discussions on a proposed merger.

Kim, former president of the now-defunct Democratic Republican Party, has demanded that KNP members join his new party, which is expected to be inaugurated early next month.

Yi has asked Kim to enter the KNP along with his followers and run for the presidential election as the party's candidate. Kim has signaled willingness to run for the presidency in elections expected in December.

The KNP has 20 seats in the 273-member National Assembly. Many of the party lawmakers are said to have expressed their intention to join Kim's party when it is inaugurated.

Political sources said that Kim and Yi held a secret meeting last week.

Christian Broadcasting To Resume Newscasts
SK151008 Seoul Television Service in Korean
0900 GMT 15 Sep 87

[Text] The Christian Broadcasting System [CBS] will be allowed to resume its newscasts and advertisements beginning next month.

An official in the Ministry of Culture and Information said today that the government is very affirmatively considering the demands of CBS that it be allowed to resume newscasts and advertisements based on the principle spirit of the 29 June declaration and added that it would possibly be some time next month.

He added that advertisements will be in the form of cooperation of those willing to place advertisements.

Burma

Foreign Minister Leaves for India, New York

BK120840 Rangoon Domestic Service in Burmese 0630 GMT 12 Sep 87

[Text] U Ye Gaung, the minister of foreign affairs for the Socialist Republic of the Union of Burma, left Rangoon by air today to pay a goodwill visit to India at the invitation of the Indian Government.

During his stay in New Delhi, Foreign Minister U Ye Gaung will exchange with India instruments of ratification for the agreement on delimitation of the maritime boundary between Burma and India.

To Attend UN Assembly

BK121114 Rangoon Domestic Service in Burmese 0630 GMT 12 Sep 87

[Text] A Burmese delegation led by U Ye Gaung, minister of foreign affairs, left Rangoon by air this morning en route to New York to attend the 42d UN General Assembly session, which will begin on 15 September.

The Burmese delegation was seen off at Rangoon airport this morning by U Maung Maung Kha, prime minister; Thura U Tun Tin and Thura U Kyaw Htin, deputy prime ministers; U Tint Swe, minister for Industry-1; U Min Gaung, minister for home and religious affairs; U Khin Maung Gyi, minister for trade; U Kyaw Nyein, minister for education; U Saw Hlaing, deputy minister for foreign affairs; Mr Thongchan Chotikasathian, dean of the diplomatic corps in Burma and Thai ambassador to Burma; the ambassadors of India, Britain, and the United States; and the resident representative of the UN Development Program.

Other members of the delegation—Dr Hla Bu and U Sein Maung, members of the People's Assembly; U Kyaw Tint, director general of the Office of the Council of Ministers; U Aung Thant, director general [of the Foreign Ministry Protocol Division]; and U Aung Swe and U Kyaw Nyunt Hman, assistant directors of the Foreign Ministry—left in advance on 10 September.

Government To Issue New Currency Notes

BK150210 Rangoon Domestic Service in Burmese 0130 GMT 15 Sep 87

[Excerpts] The Union of Burma Bank today announced that it will put into circulation new denominations of 45-kyat and 90-kyat notes. The announcement reads:

The Union of Burma Bank will put into circulation new 45-kyat notes with effect from 22 September 1987. The new currency note will be issued to the working people through the Currency Department of the Union of Burma Bank and the bank branches of the Burma Economic Bank on 22 September.

The 1-kyat, 5-kyat, and 10-kyat notes and all denominations of coins issued by the former Union Bank of Burma and by the former People's Bank of Burma as well as the

1-kyat, 5-kyat, 10-kyat, and 15-kyat notes and all denominations of coins issued by the Union of Burma Bank will continue to circulate as legal tender. [passage omitted on description of new 45 kyat note]

The Union of Burma Bank will issue new 90-kyat notes beginning 22 September 1987. The new currency notes will be issued to the working people through the Currency Department of the Union of Burma Bank and the bank branches of the Burma Economic Bank on 22 September.

The 1-kyat, 5-kyat, and 10-kyat notes and all denominations of coins issued by the former Union Bank of Burma and by the former People's Bank of Burma as well as the 1-kyat, 5-kyat, 10-kyat, and 15-kyat notes and all denominations of coins issued by the Union of Burma Bank will continue to circulate as legal tender. [passage omitted on description of new 90 kyat note]

Paper Reviews Economic Situation, Problems

BK100238 Bangkok BANGKOK POST in English 10 Sep 87 p 13, 15

[Text] A special Business Post [Bangkok Post business section] correspondent recently returned from a visit to neighbouring Burma, a country whose economy he described as suffering from "a state of massive neglect".

Recent reports have concentrated on the more sensational aspects such as the rioting of students from Rangoon University and Rangoon Institute of Technology over the demonetising of the 75, 35 and 25 kyat notes but, as the following report explains, the general malaise and discontent within Burma goes much deeper than a single, disorganised outburst of indignation.

There is no doubt the Burmese economy has collapsed and government policy is no longer taken seriously by the population, in particular public sector employees.

The sole blame for this economic disaster lies squarely at the feet of the U Ne Win-led Burma Socialist Programme Party and its government as it has allowed a quarter of century of potential development to be wasted.

It does not matter whether a country opts for either socialist or liberal-capitalist strategies during its early stages of economic development, but what does matter is that the economy should be guided by economic-minded, self-sacrificing, fairly competent leaders. Obviously, Burma has lacked these.

Ever since Ne Win admitted mistakes might have been committed in the country's economic management, Burma has continued to capture news media attention.

The Notification Nr 6/1987 on the decontrol of crops allows every citizen to purchase, transport, store, sell and transact decontrolled crops such as paddy, maize and matpe. Farmers who grow and produce scheduled crops are to pay land revenues with their crops according to rates prescribed for each crop.

Farmers who grow crops which are not scheduled are to pay their land revenues with scheduled crops such as paddy, wheat, maize, cotton or sugarcane.

This reform measure can best be described as a timid policy to promote agricultural production. It is both insufficient and confusing.

On September 5 the government demonetised the 75, 35 and 25 kyat notes. This follows the removal from currency of the 100, 50 and 20 kyat notes in 1985 and results in the largest note being the 10 kyat note which is roughly equal to 5.5-10 baht depending on the purchasers' dealings with the thriving black market.

Students from Rangoon's university and institute of technology rioted on September 6, ostensibly to protest the demonetisation but more likely to express discontent with the general economic hardship. The revolt was a disorganised affair because of the absence in Burma of any structured political opposition and so is highly unlikely to effect any change in the country's administration.

When the present regime took power in 1962, it inherited an imbalanced economy and an administration in disarray ever since independence was proclaimed in 1948.

The "Burmese Way to Socialism" became the official ideology with the main goals outlined as: No exploitation of man by man; emancipation of all national races; rise to a stage of social development where affluence and human values flower; planning towards sufficiency and contentment of all; a new society characterised by economic security, better moral standards, peace and prosperity for all; self-sufficiency and self-reliance in industry; all citizens shall enjoy the benefits derived from their labour in proportion to their contribution in manual or mental labour; and raising educational and technological standards.

The instruments and strategies of Burmese socialism have been: Ever-increasing state and cooperative ownership of production means in agriculture and natural resources, industry, transportation and communications, trading and banking. During the transition period, "the owners of private enterprise will occupy a worthy place in the new society". Formulation and implementation of economic plans. [phrase as published]

Virtually none of the above goals have been realised.

Per capita income is somewhere between US\$200 and \$300, but these figures are basically meaningless considering the large gap between the official and free (black) market exchange rates and considering the poor quality of Burmese-made industrial products.

Population growth is in the region of 2 percent annually.

The primary sector regularly contributes about two-thirds to the national income, while the secondary sector contributes only about 10 percent. The manufacturing

sector is largely made up of the food processing industry (65.6 percent) — typically low tech, [as published] while the capital equipment sector contributes about 3.7 percent to manufacturing output (income).

The mining sector is underdeveloped despite the country's wealth of proven mineral resources.

Insufficient resource generation (savings), under-accumulation (compared to the experience of other socialist countries), lack of innovation and virtual non-existence of human resources development and indigenous scientific research, brain drain (disappointed intellectuals emigrating abroad), obsolescence of capital equipment, inadequate maintenance of infrastructure (roads, construction), including transportation equipment, outdated product design, sub-standard quality of consumer goods and commodity famine, production bottlenecks due to shortage of imported intermediate materials, spare parts and accessories, insufficient energy production, low prices for farm products and ineffective township planning of agricultural production, undiversified exports (almost 100 percent resource based), imports constrained by the inability of the regime to promote exports (exports, when expressed in volume, hardly exceed the 1962 level), an unrealistic official exchange rate which negatively affects export growth, thriving smuggling activities and black marketing causing regional and personal income disequilibria, malnutrition (protiens) and inadequate fish production (both fresh water and marine), a continued racial-based economic discrimination against non-Burmese (even though these have been settled in the country for three decades or much longer), the government's inability to settle the armed political revolts of minorities and the related drain on the budgetary and human resources towards an unnecessary war effort all have had a toll on Burma's economy.

Also censorship and disinformation about most domestic issues means large sectors of the population have become very apathetic, sceptical and lost self-confidence, initiative, imagination and leadership.

In closing, a country the size of Burma cannot be run using textbook economics and unsophisticated economics textbooks (obviously, about the only commodity not in short supply).

Unfortunately also, because of the neglect of the current regime, there is no political alternative other than economic-political reform managed from the top (The Burma Socialist Programme Party) down. Any liberalisation or decontrol will only be gradual, ambiguous and uncertain due to the expected bureaucratic inertia and open enmity of the party's conservatives.

Obviously, the harm done to the Burmese society is enormous. The impact of an eventual reform will take a long time to work out — five years or even a whole generation.

Brunei, Malaysia & Singapore Malaysia

Two More Terrorists Surrender in Sarawak *BK111527 Kuala Lumpur BERITA HARIAN in Malay 1 Sep 87 p 1*

[Text] Sibu, Monday — Two communist terrorists surrendered and returned to society in conjunction with the 30th National Day anniversary here today.

Chief Minister Datuk Patinggi Haji Abdul Taib Mahmud said both the terrorists left the jungle and surrendered three days ago. With this, the number of communist terrorists who have surrendered since last January increased to nine persons. Speaking at a gathering in conjunction with the National Day anniversary celebration at Padang Sukan Tun Datuk Patinggi Tuanku Haji Bujang [stadium] here, he said with the most recent surrender, there are only about 43 communist terrorists left in the jungles of Sarawak.

He said, "We hope that in two or three years, the remnants of the communist terrorists can be wiped out and the government can declare Sarawak as a "white area" and citizens can enjoy real peace." Datuk Patinggi Taib said during the last five years, the communist terrorists' threat has been decreasing, due to the successful launching of "Operation Sri Aman" in the middle of 1970s.

While describing the situation as a blessing in joining up with Malaysia, the chief minister said Sarawak then was a backward state and currently aspiring to make its citizens the most progressive in the country by the year 2000.

Singapore

Lee Speaks to Thai Paper on Regional Issues *BK140544 Bangkok THE NATION in English 14 Sep 87 p 4*

[("Recent" "exclusive interview" by THE NATION's David Van Praagh with Singapore Prime Minister Lee Kuan Yew at the Istana, or presidential residence, in Singapore]

[Text] Singapore — Prime Minister Lee Kuan Yew says Southeast Asians will be forced to "start a new way of life" if U.S. naval and air bases in the Philippines are lost.

In an interview with THE NATION, Lee also asserted that he doesn't see the Army in Thailand "coming under total civilian control" as part of the trend toward democracy in Asian countries.

But the tough-minded, sometimes hardhanded leader of Singapore for the past 28 years said he would "guess" the U.S. bases at Subic Bay and Clark Field will not be ejected although "so much could go wrong" in the Philippines.

And Lee, who will be 64 on Sept 18, saw the political situation in Singapore itself — long dominated by his People's Action Party [PAP] — loosening up enough for a major opposition party to merge in the next five years or so.

"The mechanisms for adjustment are in place," said Lee of Singapore's evolution as a middle-class society. "We (the PAP, which controls all but two seats in Parliament) are not graduates of military academies."

Apart from commenting that he didn't see "fundamental changes overtaking Thailand or Malaysia or Indonesia or Singapore" as a result of Asia's democratic trend, Lee made only one other reference to Thailand in the course of the rare on-the-record interview, which lasted nearly one hour.

That was when he said, in answer to a question, that he didn't see U.S. forces in the region relocating at bases in Thailand if they are compelled to leave the Philippines when the current lease agreement expires in 1991: "It doesn't fit in with their (the Thais') posture since the American withdrawal (after the Vietnam war)."

Apparently with thought of the Soviet Union becoming the major power in Southeast Asia if its naval presence at the U.S.-built base at Cam Ranh Bay in Vietnam goes unchallenged, Lee declared: "We (Singapore) don't have the space (for major U.S. bases). If the bases (in the Philippines) are lost, this part of the world undergoes a turn of the kaleidoscope, we'll have to start a new way of life. But my guess is the bases will not leave the Philippines. The Philippines needs them for the security, and the cash — but so much could go wrong."

By that he meant "either the NPA (the Communist-insurgent New People's Army) taking over or no (U.S.-Philippine) agreement which would be ratified by the Philippine Congress." He did not mention the possibility of a successful military coup against the government of President Corazon Aquino.

During the interview in his large, plain office in the Istana, residence of Singapore's president and, in colonial days, of British governors, the relaxed prime minister also:

— said Soviet leader Mikhail Gorbachev was trying to appear "reasonable and willing to do business in his diplomatic offensive in non-communist Asian countries." How much business can be done, we'll know when we test them out. But there's definitely a change. Whether it means abandonment of the Soviet Union as a world power, that's a different matter."

— described as "too many steps ahead" the prospect of the Soviet Pacific Fleet using the British-built Indian Ocean naval base at Trincomalee on Sri Lanka's east coast as well as Cam Ranh Bay: "The Indians (whose troops control Trincomalee under the agreement to end the civil strife in Sri Lanka) have been given a right to say who should not go in but that doesn't mean they have a right to say who can go in."

— emphasized that a suggested visit by U.S. President Ronald Reagan to Southeast Asia — one proposal is that he meet ASEAN leaders at their summit conference in Manila in mid-December — must have "meaning in broadening ties." This was taken to mean that it should not seem like a diversion from Reagan's troubles at home.

— reiterated his view that Vietnam's economic problems are forcing Hanoi to consider withdrawing its troops from Kampuchea: "if the (Vietnamese) can't put right the economic situation without leaving Kampuchea, they'll have to do a very serious re-think. I believe they can't because they will not get out of their isolation as long as they are in Kampuchea, nor will they find the pressures on them, either in Kampuchea or on their border with China, lessening."

On the broad question of democracy in Asia, Lee stressed that the ouster of President Ferdinand Marcos in the Philippines in February 1986 was a "positive development" for ASEAN. He said: "it would have been far worse if there had been bloodshed or civil war."

But he quickly dismissed the idea of the Philippine experience having an impact on other ASEAN countries: "I don't see the army in Thailand or Indonesia coming under total civilian control as in Europe. I find it difficult to believe that Western media euphoria about the inevitable progress towards democracy will spread change to ASEAN. You can point to other (countries) in Asia where the process may well go into reverse: Sri Lanka and India, for example. In South Korea, unlike the Philippines, there is a very large middle managerial and professional class — and the political structure must reflect the role they are playing."

While he didn't talk about the emergence of such a class in other Asian countries such as Thailand, he was far more willing than usual to discuss openly Singapore's political situation, including the role of "the middle or professional classes" in the predominantly ethnic-Chinese city-nation at the strategic tip of the Malay Peninsula.

He asserted that this group was already influencing the political process here. Speaking for the ruling PAP, Lee said: "We haven't prevented any opposition from emerging. Any five people can form a party and kick off a new movement, provided it's not communist ... We have adjusted our policies, enabling the PAP to absorb and accommodate new political trends and values. The present government is very different from that of 10 years ago. The younger leaders think and talk differently. If we had not absorbed them, we would not have held on to the dominant ground in the elections of 1980 and 1984."

Asked about Singapore after Lee Kuan Yew, the prime minister replied: "I'll help fight the next election due by 1989. Whether I'll fight as the leader of the party will be up to the Members of Parliament. Whether I am the leader or not, I am what I am."

Asked about the position of his son, Brig Gen Lee Hsien Loong — trade and industry minister and, many believe, the heir apparent — in the new Singapore order, the prime minister said: "If he were not my son, my life would be easier and probably his, too. Because he is my son he has to prove himself."

Lee said Singapore was coming out of its first experience with negative economic growth (1.8 percent) last year and this made any "drastic, tumultuous change unlikely." It was then he said a major opposition party might develop not for the next election but possibly the one after that, probably in 1992 or 1993. Singapore expects economic growth of 6-to-7 percent in 1987.

The prime minister also talked about one of his favourite recent topics — the problem of educated Singaporean not having enough babies. He pointed out that 25 percent of the educated women (university and top secondary school graduates) are not marrying and those who are have an average of 1.6 babies. Lee asserted: "I do not have the biases and sensitivities of Westerners that to ask people to have more children is as taboo as to talk of sex in the Victorian age. Singaporeans have to decide whether to have any children at all...the jobs are there."

Finally, Lee admitted it was "scary" that the 16 persons recently arrested on charges of plotting to overthrow the government came from middle-class families in a society where the average per capita income is about 180,000 baht a year. He had questioned in a National Day speech how there could be "new communists in our prosperous Singapore."

Asked if the nature of the communist threat to Singapore was changing, he said: "This group could not become a major threat for at least three to four years. They moved into the (Catholic) Church and student groups but not into the workers and the unions. They're up to no good — the danger is they're learning more and more tricks from the Filipinos — they're communists, no doubt about it — there are still a thousand communist guerrillas on the Thai-Malaysian border — they have younger leaders, too."

Two Detainees Linked to Marxist Plot Released
*BK141359 Singapore THE SUNDAY TIMES
in English 13 Sep 87 p 1*

[Excerpt] Two detainees held under the Internal Security Act (ISA) because the Government believed they were involved in a Marxist plot to overthrow it were released yesterday.

Harvard-trained businessman Chew Kheng Chuan and Tang Fong Har, a woman lawyer, were freed after the Government was satisfied that they were unlikely to resume subversive activities and pose a security threat to the country.

Chew, 29, declined comment when contacted at his home last night. Tang, 31, could not be contacted. A friend said she would have dinner with her family to celebrate her release.

A Ministry of Home Affairs statement disclosed that the Advisory Board which interviewed them had recommended an early release for both of them.

They were among a group of six Marxist conspirators arrested on June 20. A month later, three were freed, while Chew and Tang and another person were detained for a year under the ISA to prevent them from "acting in any manner prejudicial to the security of Singapore".

The ministry said then however that they could be released earlier if they did not seem likely to continue to pose a threat to the state. [passage omitted]

Cambodia

Chea Soth Receives Soviet Delegation

BK100612 Phnom Penh SPK in English 1104 GMT
9 Sep 87

[Text] Phnom Penh SPK September 9 — Vice-chairman of the Council of Ministers Chea Soth received in Phnom Penh Tuesday D.M. Ekimtchev [name as received] head of the visiting Soviet delegation of construction service under the Ministry of Communications.

After recalling the great efforts displayed by the party, government and people of Kampuchea in restoring the communication network, Chea Soth, who is also Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, hailed the fruitful cooperation between Kampuchea and the Soviet Union, particularly in the communication field.

He expressed thanks to the party, government and people of the Soviet Union for their precious assistance to Kampuchea, and his firm conviction that the Soviet Union will continue assistance to the Kampuchean people in this field.

For his part, D.M. Ekimtchev hailed the success obtained by the Kampuchean people in national reconstruction and pledged to do his best to contribute to the development of multiform cooperation between the two countries especially in the domain of constructions.

The delegation left Phnom Penh Wednesday after concluding its fortnight visit to Kampuchea.

Soviet Delegation Arrives for Lecture Visit

BK110823 Phnom Penh Domestic Service
in Cambodian 1300 GMT 10 Sep 87

[Text] On the morning of 9 September, a delegation of CPSU Central Committee lecturers headed by Comrade (V.N. Gostov), cadre in charge of the CPSU Central Committee Propaganda Department, arrived in the PRK for a visit and to present lectures on the current phase of Soviet economic reform and social management and on the Soviet Union's struggle to fight the threat of nuclear war and create a global security system.

Greeting the delegation at Pochentong airport were Comrade Pav Hampan, vice chairman of the Central Propaganda and Education Commission, and several other officials from the commission.

Comrade [name indistinct], USSR Embassy counselor in Cambodia, was also present.

Heng Samrin Greets Bulgaria's Zhivkov

BK091417 Phnom Penh SPK in English 1048 GMT
9 Sep 87

[Text] Phnom Penh SPK September 9 — Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council of the People's Republic of Kampuchea, has sent warmest greetings to Todor Zhivkov, general secretary of the Bulgarian Communist Party and chairman of the State Council of the People's Republic of Bulgaria, on the occasion of his 76th birth anniversary.

In his message President Heng Samrin said: "I strongly believe that under your clear-sighted leadership, the People's Republic of Bulgaria, will achieve scientific and technical revolution in building a progressive socialist Bulgaria so as to meet the material, social and spiritual needs of the Bulgarian people."

The Kampuchean leader wished the ties of friendship and cooperation in all domains between the two peoples and countries further development and constant consolidation.

He also wished the Bulgarian leader good health, longevity and new greater successes in this noble tasks.

'Most Severe' Drought Hits West of Phnom Penh

BK121415 Phnom Penh SPK in French 1200 GMT
12 Sep 87

[Text] Phnom Penh, 12 Sep (SPK)—Kompong Speu, a province some 50 km west of Phnom Penh, is the most affected by prolonged drought which this year has caused serious damages to peasants in almost the whole country.

By 3 September, the entire province managed to grow only 2,040 hectares of rice, or 2 percent of its plan for this rainy season's agricultural campaign. Of this cultivated area, 526 hectares of young plants and over 240 hectares of rice already transplanted have been destroyed, and many draft animals have died.

According to Lim Sokhon, vice chairman of Kompong Speu Provincial People's Committee, this is the most severe drought his province has ever known. All reservoirs, ponds, lakes, and so on, are completely dried. Inhabitants in Udong, Kong Pisei, and Phnum Sruoch Districts have to travel many kilometers to get drinking water.

Agricultural experts and over 100 metric tons of rice have been dispatched to Kompong Speu.

Peasants are currently making great efforts to build water works to speed up tasks in the fields, to practice intensive cultivation, and to restructure crops to rectify this situation.

Siem Reap-Oddar Meanchey Province Returnees
*BK130331 Phnom Penh Domestic Service
in Cambodian 1200 GMT 12 Sep 87*

[Text] Due to the good use of combined forces from every front, particularly cutting off the bandits' network and dissemination of the 6-point policy of the party and state deep among the bandits' ranks, misled persons have awokened and returned to their families, people, and the revolution.

Between 21 July and 20 August, Siem Reap Province received 160 misled compatriots and 120 weapons. Furthermore, the Fourth Army Region also received 43 compatriots who have deserted the Pol Pot bandits' ranks and presented themselves to our revolution; they brought along 25 weapons. Included in this figure were six weapons and six compatriots who returned in Puok District in a 2-day period.

Indonesia

Agreement Reached With USSR on Broadcast Exchange
BK110617 Jakarta ANATARA in English 0545 GMT 11 Sep 87

[Text] Jakarta, September 11 (OANA-ANTARA)—Indonesia and the Soviet Union Thursday [10 September] agreed to exchange radio and TV broadcast materials, in particular those pertaining to technology, sports and economy, in accordance with the situation and conditions in the respective countries.

The Indonesian Embassy in Moscow in its cable to ANTARA explained, the agreement was reached at the discussions between Indonesian Minister of Information Harmoko who is at present visiting the Soviet Union and his Soviet counterpart, the chairman of the USSR State Committee for Television and Radio Broadcasting, Aleksandr N. Aksenov.

The agreement among other things stipulates that the way of using the exchanged radio and TV broadcast materials will be left fully to the judgement of the respective sides, while dispatch expenses of the broadcast materials will be borne by the dispatcher country.

The agreement also said that the implementation of the agreed articles will be regulated through diplomatic channel.

Information Minister Harmoko, accompanied by TVRI [Televisi Republik Indonesia — Indonesian Television] director Alex Leo Zulkarnaen, left Indonesia for Moscow September 7 for a visit of several days at the invitation of the Soviet Government.

During the visit, besides holding discussions on cooperation, the information minister was also scheduled to make survey tours of various projects developed by the Soviet Union Government, mainly in the fields of communication and information, such as film, news agency, printing media, radio and television.

The Indonesian information minister will also discuss various efforts to realize a new world information order, which is one of the aspects for the realization of order and lasting world peace.

Bolkiah Offers Indonesia \$100 Million Loan
BK101215 Kuala Lumpur BERNAMA in English 1048 GMT 10 Sep 87

[By Harris Syamaun]

[Text] Jakarta, Sept 10 (OANA-BERNAMA)—The ruler of Brunei Darussalam, Sultan Hassanal Bolkiah, Thursday offered Indonesia interest-free loan of U.S.\$100 million payable in 25 years with seven years of grace.

The sultan made the offer during talks with President Suharto at Merdeka (Independence) Palace here, immediately after his arrival from Bandar Seri Begawan for a four-day working visit.

The visit is to strengthen cooperation between the two neighbouring countries, Minister/State Secretary Sudharmono told reporters following the one-hour talks between the two leaders of the Association of Southeast Asian Nations (ASEAN).

He said the sultan also informed the president of Brunei's intention to invest in industrial and tourism projects in Indonesia.

Brunei is particularly interested to be a shareholder of the Indo cement factory in Cibinong, West Java, about 50 kilometers south of here, Sudharmono said.

Sudharmono said that Brunei is also interested to invest in hotel development in Bali, and an aluminium plant on the island of Bintan, offshore central Sumatra.

The proposed Bintan plant had been delayed for the last few years to economic recession, Sudharmono said.

The sultan, who is accompanied by his wife and other members of the royal family, including Finance Minister Pengiran Jeffry Bolkiah, will also visit the Indonesian naval base and the shipyard industry in Surabaya, East Java before proceeding to Bali tomorrow. They will spend three days on the island before flying home on Sunday.

Sultan, Party Leave for Home
BK131524 Jakarta Domestic Service in Indonesian 1500 GMT 13 Sep 87

[Text] The head of state of Brunei Darussalam, Sultan Hassanal Bolkiah, his wife Mariam binte Abdul Aziz, and party left Ngurah Rai Airport, Bali, aboard a special Boeing 747 plane for home this evening. The Brunei state guests were seen off by Akhmad Tahir, minister of tourism, post, and telecommunication; Director General for Tourism Joop Ave; and Bali Governor Ida Bagus Mantra. Sultan Hassanal Bolkiah met reporters at Ngurah Rai Airport shortly before his departure from Bali.

He said among other things that he was deeply impressed by the Balinese beauty and culture and Bali would continue to be visited by many tourists. Sultan Bolkiah's visit to Bali was also aimed at exploring the possibility of developing the tourism sector in the Nusa Dua resort.

Laos

U.S. 'Ill Will' on MIA Issue Assailed
*BK161109 Vientiane KPL in English 0914 GMT
16 Sep 87*

[“Commentary: Washington Should Give Up Its Ill Will Against Laos”—KPL headline]

[Text] Vientiane, September 16 (KPL)—“The search for the so-called five American pilots missing during the Indochinese war who are said to be still alive in Laos carried out by a group of 12 American Citizens who arrived in Thailand recently has brought about nothing, but mutual misunderstanding and instability on the Lao-Thai border,” wrote *Pasason*, the Lao leading newspaper, in its commentary today criticizing the Washington administration's ill will against the Lao PDR.

“This is a groundless allegation made as a pretext for activities on the part of the American side that run counter to what was agreed upon between the Lao and U.S. sides during the visit to Laos by a U.S. delegation headed by Richard T. Childress on August 10,” *Pasason* stressed, adding “It is clear from this U.S. allegation that although 12 years have passed since the defeat of the U.S. war of aggression in Indochina, the United States still maintains an ill will against the Lao PDR.”

The paper said, “Nevertheless, the Lao side will continue keeping its words. Besides, the Lao people strongly denounce the United States' ill will. If the Washington administration continued to carry out its dark scheme against the Lao PDR, it would be bound to meet with failure.”

“To keep its words is the best way for the United States to serve the interests of the peoples of the two countries,” emphasized *Pasason* in conclusion.

Science Delegation Departs for Moscow Meeting
*BK111441 Vientiane KPL in English 1026 GMT
11 Sep 87*

[Text] Vientiane, September 11 (KPL)—A delegation of the Council of Science and Technology of the Lao PDR headed by its Chairman Souli Nanthavong left here for Moscow on September 9 to attend a scientific conference on the transitional period of developing countries to socialism.

The conference is scheduled to take place in the capital of the Soviet Union from September 14-16.

Further on Second National Front Congress

9 Sep Afternoon Session

*BK120610 Vientiane Domestic Service in Lao
1400 GMT 9 Sep 87*

[Text] The Second National Congress of the Lao Front for National Construction [LFNC] continued its work in the afternoon session in Vientiane capital on 9 September—first day of the congress. The afternoon session of the first day began at 1430 when members of the Presidium, distinguished Lao and foreign guests, and all delegates took their seats. The session was chaired by Bolang Boualapha, vice chairman of the LFNC. It began with Nhiauv Lobaliayao, member of the LFNC Standing Committee, presenting the front's program of action for implementation from now until 1990. Nhiauv Lobaliayao pointed out in his report that to promote and expand the LFNC'S role in enhancing solidarity and persuading the people of various tribes, classes, and religions to effectively implement the line and policies of the party and state, smash all divisive schemes of the enemies, and contribute to defending the country and building socialism, the LFNC'S program of action from now to 1990 is aimed at fulfilling the following six tasks:

1. Mobilize and bring into full play the strength of solidarity of the entire people and incessantly consolidate the national united front on the basis of the worker-peasant alliance;
2. Contribute to the promotion of socialist democracy and the building of administrations;
3. Motivate the people to take part in defending the country;
4. Mobilize the people to take part in building and developing the economy and culture;
5. Mobilize the people to take part in the cause of socialist transformation; and
6. Contribute to the implementation of the foreign policy of our party and state.

Afterwards, Khampheng Boupha, member of the LFNC Standing Committee, read a report on the amendments and additions to the rules and regulations of the LFNC. She said: To organize for successfully translating into reality the front's program of action as already presented to this congress, based on the practical activities of the LFNC committees at various levels, we deem it necessary to make amendments and additions to the LFNC'S rules and regulations. The newly amended and added rules and regulations consist of 5 chapters with 20 articles as follows: The first chapter, dealing with the characters and objectives, consists of 3 articles; the second chapter, dealing with membership, consists of 4 articles; the third chapter, dealing with the organization, consists of 9 articles; the fourth chapter, dealing with activities, consists of 1 article; and the fifth and last chapter, dealing with principles and methods of working, consists of 3 articles.

Representatives of mass organizations then took turns delivering speeches at the congress. Soi Sombatdouang, representative of the Central Committee Federation of Lao Trade Unions, said in part of his speech:

[Begin Sombatdouang recording] On behalf of the Lao working class and laboring people, I would like to take this occasion to express sincere commendation and profound gratitude to the past Lao Itsala [freedom] Front and the Lao Patriotic Front or the present LFNC for their heroic, historic, noble, and glorious deeds.

Delegates, in the present period of socialist transformation and construction, in particular since the first national congress of the LFNC or over the past 8 years, under the party's leadership, the LFNC has scored praiseworthy achievements in many fields. The Lao people of various tribes and various classes have strengthened and cemented the unique solidarity on the basis of the worker-peasant alliance, thus enhancing the overall, great strength of the Lao nation. They have participated in the implementation of all plans and policies, both domestic and foreign, of our party and state. In addition, the front has joined with various mass organizations in positively contributing to the building and defense of the administrations and to the management of the state and society. These achievements once again prove the LFNC'S role in serving as a firm basis and a bridge linking the state and the masses in the strengthening of the solidarity of the entire people to successfully implement the two strategic tasks—the defense of the country and the building of socialism. [End recording]

Mrs Thongvin Phomvihan, representative of the Central Committee of the Lao People's Revolutionary Youth Unions, said in a significant part of her speech:

[Begin Phomvihan recording] The LFNC has greatly contributed to the great achievements and victories in many fields as scored by our people over the past 10 years. Those achievements and victories have constituted great spiritual encouragement and motivation for our Lao People's Revolutionary Youth Unions. Actually, the LFNC committees as well as the Lao people of various tribes have always given cooperation, assistance, and support to the Lao youths of various tribes and have motivated and persuaded them to vigorously carry out the cause of socialist revolution. As a result, our youths' movements have been incessantly developed and strengthened.

On this glorious occasion, on behalf of the Central Committee of the Lao People's revolutionary Youth Unions, I would like to express gratitude to the LFNC committees at all levels and also would like to express thanks to all personages, intellectuals, monks, and novices here. [applause] [End recording] Mrs Phetsamone Lasasimma, representative of the Central Committee of the Federation of Lao Women, said in a significant part of her speech:

[Begin Lasasimma recording] Our Federation of Lao Women, like other mass organizations, is proud and

jubilant over the achievements of the front in carrying out activities to promote and enhance the strength of solidarity of the entire people on the basis of the worker-peasant alliance and to strengthen our Lao people's solidarity and friendship with the peoples of various socialist countries as well as with friends throughout the world. The said achievements have greatly contributed to the common victory of the nation.

In the past, as a collective member of the LFNC and as part of the proletarian dictatorship system, under the party's guidance and leadership, our Federation of Lao Women has always implemented its roles and responsibilities in educating and training cadres and members of the federation as well as fraternal women of various tribes and various classes and women in other sectors to enable them to promote and expand the nation's heroic tradition of united struggle and the tradition of industriousness and persistence of Lao women to positively pursue effectively and successfully the line, plans, and policies of the party and state as well as of the LFNC and the orientations and duties of the federation. We pledge to strengthen the special solidarity and all-round cooperation with the Vietnamese and Cambodian women and to strengthen the solidarity and all-round cooperation with the fraternal women of the Soviet Union and other socialist countries as well as with fraternal, progressive women throughout the world in the struggle for peace, national independence, democracy, and social progress and for the benefits and welfare of women and children. [End recording]

In addition, Reverend Thongkhoun Anantasounthon, chairman of the Lao Unified Buddhist Organization; Visit Santivong, representative of various tribes; Prof Vannalet Latsapho, representative of personages; Brigadier General Kongsi [Khatti-gna], representative of the LPA; Bounma Mithong, representative of the people's public security forces; and Singkao Sikhotchounlamani, chairman of the Lao committee for world peace and for solidarity and friendship with various nations, also took turns delivering speeches at the congress. All of them expressed support for and approval of the political report of the LFNC Central Committee. They also expressed their determination to put into actual practice in their respective domains of work the success of the Second National Congress of the LFNC.

Resolution Issued

BK111450 Vientiane KPL in English 1055 GMT
11 Sep 87

[Text] Vientiane, September 11 (KPL)—THE Second National Congress of the Lao Front for National Construction unanimously adopted the following resolution at its closing session here today;

In the light of the resolution of the Fourth National Congress of the Lao People's Revolutionary Party, the Lao Front for National Construction held its Second National Congress from 9 to 11 September 1987 in the capital city of Vientiane.

With profound gratitude and complete confidence in the correct and clear-sighted leadership of the Lao People's Revolutionary Party, the organizer and leader of every victory of our country's revolution, the delegates to the congress expressed their gratitude and respect for Comrade Kaysone Phomvihan, general secretary of the party Central Committee, chairman of the Council of Ministers, for his highly valuable instructions to the congress. These instructions will serve as the compass for the activities of the Lao Front for National Construction and for the front work in the years to come.

The congress heard and discussed the political report of the Central Committee of the Lao Front for National Construction presented by Comrade Phoumi Vongvichit, the programme of action of the Lao Front for National Construction presented by Comrade Nhieu Lobaliayao, the amended rules of the Lao Front for National Construction presented by Madame Khampheng Boupha. The congress also heard contributions of delegates from various localities of the country as well as speeches of foreign delegations.

In the spirit of the unity of the whole people, the delegates to the congress have unanimously adopted the following resolution:

1. The congress is in complete agreement with the political report of the Central Committee of the Lao Front for National Construction, which makes a correct assessment of the maturity and the pride-worthy achievements recorded by the national united front, as well as the work undertaken by the Lao Front for National Construction since its first national congress. The congress affirmed that the Lao Front for National Construction has made tremendous efforts to discharge its functions and duties, done its best to develop the glorious traditions and revolutionary gains of the Lao Itsala Front, the Lao Patriotic Front, has continuously broadened and consolidated the national united front on the basis of the worker-peasant alliance, further enhanced the national unity, pushed up the revolutionary movements of the masses in all fields of activities, foiled all schemes of division and sabotage of the enemy, thus making a worthy contribution to the cause of national defence and construction and to strengthening international solidarity.

The political report points out the weaknesses and shortcomings which have exerted no small impact on the promotion of the role and effect of the Lao Front for National Construction in the common cause of our nation.

The political report has defined the orientation and duties of the Lao Front for National Construction for the period from now to 1990, which conform to the functions of the front in the new stage, and at the same time, respond to the earnest aspirations of the entire people and manifest the complete agreement of the Lao Front for National Construction with the resolution of the Fourth National Congress of the party.

The political report has also laid strong emphasis on the necessity of consolidating the organization and renovating the working methods of the Lao Front for National Construction along the new thinking.

2. The congress is in complete agreement with the programme of action of the Lao Front for National Construction which clearly sets the concrete task of the front to motivate the whole people to participate in national defence and socialist construction, unceasingly improve the livelihood of the people of all ethnicities.

3. The congress has unanimously adopted the amended rules of the Lao Front for National Construction, regarding them as a good basis for broadening and making the Lao Front for National Construction a banner for rallying and uniting the people of all ethnicities, all strata and religions in order to carry out successfully the two strategic tasks.

4. The congress has unanimously appointed the Central Committee of the Lao Front for National Construction (second convocation) comprising 94 members and entrusted the Central Committee of the Lao Front for National Construction (second convocation) to organize, direct and ensure good implementation of the resolution of this national congress.

5. The congress calls upon the compatriots throughout the country to strengthen unity and to rally around the broad national united front, under the leadership of the party Central Committee, participate actively in the socialist emulation movement, devote their whole energy to implementing the resolution of the Party Fourth National Congress, the second five-year state plan and the programme of action put forth by this congress of the Lao Front for National Construction, thus making our beloved homeland more and more prosperous, ensuring for our people a more and more happy life.

Meeting Hails Successful Congress *BK147119 Vientiane KPL in English 0914 GMT 14 Sep 87*

[Text] Vientiane, September 14 (KPL)—A meeting was held here on September 12 to hail the success of the 2nd Congress of the Lao Front for National Construction [LFNC].

The meeting was attended by Sisavat Keobounphan, Politburo member and secretary of the LPRP CC, and chairman of the Administrative Committee of Vientiane, [and] Chaleun Yiapaohou, alternate member of the LPRP CC, vice-president of the front CC, and more than 1,000 other people.

Chargés d'affaires and heads of foreign delegations to the 2nd front congress were also present at the meeting.

After expressing the meeting's full support to the political report and the programme of actions of the LFNC, the participants pledged to further strengthen the bloc of

national unity in order to build Vientiane into a centre of political, economic and cultural activities of the whole country, liquidate all the remnants left over by the old society, enhance solidarity and friendship with the fraternal socialist countries, and peace-loving people of the world, actively contribute to the struggle against the nuclear arms race policy of imperialism and reactionaries, for peace and international security.

They also expressed their resolve to raise their vigilance and foil all the enemy's acts of sabotage, to safeguard and build a peaceful, independent, united and socialist Laos.

Foreign Delegates Depart
*BK141115 Vientiane KPL in English 0936 GMT
14 Sep 87*

[Text] Vientiane, September 14 (KPL)—Foreign delegations to the 2nd Congress of the Lao Front for National Construction left here for home on September 12.

They were delegations of the front organisations of the Socialist Republic of Vietnam, the People's Republic of Kampuchea, the People's Republic of Bulgaria, the Hungarian People's Republic and the Czechoslovak Socialist Republic.

The delegations were seen off at the airport by Bolang Boualapha, member of the LPRP CC, vice president of the LFNC CC.

Charges d'affaires of the countries concerned were also present on this occasion.

PASASON on Congress
*BK121215 Vientiane KPL in English 0912 GMT
12 Sep 87*

[Text] Vientiane, September 12 (KPL) — *Pasason* today frontpages an editorial hailing the brilliant success of the Second Congress of the Lao Front for national Construction [LFNC] where important documents adopted will play a crucial role in the country's revolution.

The paper highly assesses the 3-day work of the congress during which a new updated programme of actions and an amended status of the front were adopted. The paper also hails the election of a new Central Committee of the LFNC.

The new action programme, the paper points out, will enable the front to tap the potentials of the Lao society as a whole to fulfil with a higher quality and efficiency the two strategic tasks of the revolution, thus rendering futile the enemy's decisive [as received] designs. The paper commends the amended status of the front saying that it is aimed at expanding and improving both the activities and organisations of the LFNC.

Pasason concludes its editorial by expressing the confidence that in the light of the fourth party congress resolution and on the basis of the unity of the national

united front led by the party as well as with the moral stimulation resulting from past achievements, the resolution of the Second Congress of the LFNC will be duly implemented.

Philippines

Aquino Announces 3 Members of New Cabinet
*HK161034 Hong Kong AFP in English 1022 GMT
16 Sep 87*

[Text] Manila, Sept 16 (AFP)—President Corazon Aquino said Wednesday that Undersecretary for Foreign Affairs Manuel Yan would serve as acting Secretary following the resignation of Salvador Laurel.

She also named a new Finance Secretary and Public Works secretary and said that more changes would follow as part of a total cabinet revamp.

Mrs. Aquino made the announcement in a live television address after Mr. Laurel, who remains vice president, irrevocably quit his cabinet portfolio over what he called "basic differences" with Mrs. Aquino.

Mrs. Aquino said that she was replacing Finance Secretary Jaime Ongpin, a longtime Aquino supporter who has been under fire for his handling of the country's foreign debt problem, by Vicente Jayme, who held the position of public works secretary.

Mr. Jayme's undersecretary Fierello Estuar was named to replace him at the public works department.

The president named no replacement for Mr. Laurel, saying Undersecretary of Foreign Affairs Manuel Yan would serve as acting secretary.

"Further resignations will be announced shortly," Mrs. Aquino said.

Presidential spokesmen Teodoro Benigno said additional cabinet changes were to be announced Thursday.

All members of the cabinet tendered courtesy resignations last week after an August 28 bloody coup attempt sparked a fresh crisis for her 18-month-old administration, but only Mr. Laurel has openly expressed differences with Mrs. Aquino.

Mrs. Aquino Wednesday said she was also accepting "with regret" the resignations of several sub-cabinet officials.

Immigration Commissioner Enrique Joaquin was replaced by a woman trial court judge, Miriam Defnsor Santiago.

Customs Commissioner Alex Padilla, a left-wing lawyer, was replaced by former Lieutenant General Salvador Mison, who was second in command of the armed forces when he retired in June.

Laurel To Remain Vice President
*HK160929 Hong Kong AFP in English 0909 GMT
16 Sep 87*

[Text] Manila, Sept 16 (AFP)—Vice President Salvador Laurel Wednesday resigned as foreign affairs secretary, citing major differences with President Corazon Aquino, principally over her handling of the communist insurgency.

His announcement came less than three weeks after a bloody military coup attempt and after all cabinet members tendered their courtesy resignations last week in the wake of the putsch to enable Mrs Aquino to form a new cabinet, which has not yet been named.

Mr Laurel announced his decision at the office of the vice president after a two-hour meeting between himself and the President, along with elder members of their families which had been political allies for decades.

In addition to differences over the insurgency, Mr Laurel complained that Mrs Aquino had not kept promises to involve him in decision-making and that he had felt like an "outsider looking in."

He described the communist insurgency as "very very serious", adding that "our nation is like a house on fire."

Mr Laurel rejected opposition calls for Mrs Aquino to step down and hold new presidential elections and said he was not preparing for the 1992 presidential elections.

"This is no time for politics," he said, adding that there may not be elections in 1992 if the government failed to control the insurgency.

"Let us not talk about something else while the fire is raging," he said, and called on Mrs Aquino to devote "all available resources of government" to crush the 18-year-old rebellion.

He accused unnamed cabinet colleagues of being "sympathetic or perceived to be sympathetic" to communist rebels according to military intelligence reports and said he had information that some of them were to be retained by the 54-year-old Mrs Aquino in the new cabinet line-up.

"I am not joining the opposition," Mr Laurel said to squelch rumors that he might join forces with right-wing opponents of the 18-month-old administration and said his main differences with Mrs Aquino were her approach to the communist insurgency.

"I will remain vice president and I will continue to try to help the administration," Mr Laurel said. "I'm still part of the administration."

He said that as vice president without any cabinet position he would have "more freedom," and said he would support the president whenever she is right, correct her when she is wrong, and oppose her if she insists on being wrong.

He denied rumors that junior officers who staged the bloody August 28 coup attempt had offered him the presidency if he joined their cause.

Asked if he would find it difficult to remain in the administration after his resignation, he said: "A vice president should have no difficulty. All I have to do is survive."

Under the Philippine constitution the vice president immediately succeeds the chief executive if she dies, resigns, or is incapacitated.

Mr Laurel said that apart from their "basic differences," Mrs Aquino reneged on several promises she made when he agreed to step aside in her favor when the opposition was looking for a single presidential candidate against deposed president Ferdinand Marcos.

He said Mrs Aquino had promised to let him run the government if they won because she was politically inexperienced, but abolished the position of Prime Minister four hours after he took his oath in March 1986.

He said Mrs Aquino also failed to fulfill her written promise to give his party, the United Nationalist Democratic Organization (Unido), 30 per cent of the cabinet, and to consult him regarding all major decisions and appointments.

"I felt like I was an outsider looking in," Mr Laurel told scores of journalists who packed his office, most of them tipped off that he was about to leave the administration.

He denied rumors that he had held meetings with the opposition regarding his resignation. Some of his closest aides joined the opposition shortly after Mrs Aquino came to power.

Mr Laurel, 59, said he started feeling like an outsider in government almost from the time he took office, but waited until now because "I am a team player."

Aquino Urges Approval for Military Budget
*HK150313 Manila Far East Broadcasting Company
in English 2300 GMT 15 Sep 87*

[Text] President Aquino yesterday [14 September] asked Congress to approve without delay a P17 billion budget for the military, which will include salary increases for members of the Armed Forces and a loyalty bonus. The president urged the quick approval of the budget in her letters to the House of Representatives. The P17 billion budget for the AFP [Armed Forces of the Philippines] has P5.4 billion additional funding for the salary increases of soldiers, the payment of loyalty bonuses for those who fought the August 28th attempted coup, and the reconstruction of the AFP general headquarters burned down during the Camp Aguinaldo fighting. The original budget proposed for the AFP was only P11.5 billion.

Malacanang Responds to Honasan's Statements
HK151207 Manila Radio Veritas in Tagalog
1000 GMT 15 Sep 87

[Text] Malacanang today responded to the accusations and pronouncements made by renegade Colonel Gregorio Honasan in his interview with an American television station. Malacanang charged Honasan of lying when he said that he merely wanted to introduce peaceful reforms in the government.

According to Cabinet Crisis Committee chairman Emmanuel Soriano, Honasan wanted to make it appear that his intentions were sincere and just. At the same time, Soriano accused Honasan of seeking to usurp power from a civilian leadership.

[Begin Soriano recording in English] The road to hell is paved with good intentions, and accordingly, he should be man enough to acknowledge that if he had not attacked Malacanang, then there would have been no deaths. His claim that it was a demonstration is simply not tenable.

He claims that the government had suppressed the media. Anyone who can read or listen to the radio knows that this is simply not true. It was an obvious appeal to look like an idealistic underdog. He is an underdog only because his power grab failed. His idealism is an obvious ploy to hide the junta's intentions to set up a dictatorial government here.

As for grievances, he knows as an officer, renegade that he is, that there are proper avenues which shall remain open to the entire military to act for redress. He chose violence and the gun instead. This despite the fact that he has a gun and a command to defend the people and the government, not to kill civilians and to attack the very institutions he swore to defend.

We need not go into the reasons for his activities under then Defense Minister Juan Ponce Enrile. Suffice it to say that the Marcos-Ver machine was about to crash them when they opted to support President Cory Aquino and People Power saved them. Their first shield [words indistinct] could not be maintained forever, and People Power saved them.

Now they would destroy that which People Power set up, a revitalized democracy. [end recording]

That was Cabinet Crisis Committee chairman Emmanuel Soriano.

More on Response
OW151121 Tokyo KYODO in English 0628 GMT
15 Sep 87

[Excerpts] Manila, Sept. 15 KYODO—President Corazon Aquino's government, nearly toppled in a bloody coup attempt on August 28, accused coup leader Col. Gregorio "Gringo" Honasan on Tuesday of lying to cover up his bid to establish a dictatorship.

National Security Adviser Emanuel Soriano said Honasan's statements in an interview published in a Manila newspaper and broadcast on the radio were a "hodge-podge of half-truths and outright lies designed to evade responsibility for their cold-blooded murder of civilians in a naked attempt to grab governmental power."

"I wonder what he would be saying in the military junta today if his group had succeeded in overthrowing the government of President Aquino and had killed her and her family," Soriano said.

Interviewed by reporters after meeting with Aquino, Soriano said the renegade officer may have had secret supporters who financed the coup attempt.

"I don't think that Mr. Honasan would have done what he did if there were no collaborators behind the scenes providing the funding," Soriano said. He added, "there may have been some people who would have emerged as the new dictators of this country."

Honasan said in an interview published in *The Independent* newspaper Monday that he could not reveal his next move because "the plans of a more important group than mine would be imperilled." He did not elaborate.

There has been strong suspicion that Honasan's one-time boss, former Defense Minister Juan Ponce Enrile, may have been involved in the coup attempt.

Enrile, now an opposition senator, has categorically denied any links to the coup and has vowed to uphold the constitutional process.

Soriano said no investigation of Enrile's possible involvement in the coup attempt has been discussed. [passage omitted]

Soriano said Honasan's charges that the government is suppressing press freedom "is an obvious appeal to look like an idealistic underdog."

"He is an underdog only because his power grab failed. His idealism is an obvious screen to hide the junta's intentions to set up a dictatorial government here," Soriano said. [passage omitted]

Soriano said Honasan "chose violence and the gun" to seek redress of grievances against the Aquino government and overthrow the "revitalized democracy" established after the February 1986 "people's power revolution."

"He is trying to avoid responsibility in the way he deceived enlisted men and abandoned them when bullets were flying," Soriano said.

Speaker Mitra Proposes Dialogue With Honasan
HK160139 Manila Far East Broadcasting Company
in English 2300 GMT 15 Sep 87

[Text] Speaker Ramon Mitra says the lower house of Congress will guarantee the safety of renegade Colonel Gregorio Honasan if he will come out of hiding for a

dialogue with government officials and leaders of the sectoral community. Mitra said the House of Representatives will issue a safe conduct pass for Honasan and his men for the dialogue.

On the other hand, Chairman Emmanuel Soriano of the National Security Council and the Crisis Management Committee said the only guarantee for Honasan's safety which the government could give is if he and his men surrender unconditionally. He said the guarantee is for their safety and the assurance of due process.

Minister Seeks Clarification on SRV Aid
BK110157 Bangkok THE NATION in English
11 Sep 87 p 4

[Excerpt] [Passage omitted on State Department spokesman Charles Redman's statement on U.S. Administration's view on humanitarian aid to Vietnam]

Foreign Minister ACM [Air Chief Marshal] Sitthi Sawetsila told *The Nation* on Wednesday [9 September] that ASEAN is worried that Vietnam would try to exploit America's concern on the MiA issue to gain political advantage and ASEAN has already raised this worry in talks with the U.S.

ASEAN foreign ministers who will attend the UN General Assembly opening session in New York will meet outside the General Assembly to discuss the Kampuchean question, particularly Washington's handling of the MiA issue.

ASEAN's position on this remains unchanged: ASEAN objects to giving any aid which could help Vietnam divert its resources into the military occupation of Kampuchea, Sitthi said.

"We would have no objection if it's an emergency aid coming in the wake of a major natural disaster or an aid which is purely humanitarian," said Sitthi who is chairman of the ASEAN Standing Committee.

The foreign minister has also instructed Thai Ambassador to Washington Asa Sarasin to seek a clarification with the State Department on whether the U.S. administration has a policy of encouraging private humanitarian aid to Vietnam like that reported in *The New York Times*. [passage omitted]

Minister Briefed on SRV Departure Program
BK120227 Bangkok BANGKOK POST in English
12 Sep 87 p 6

[Excerpt] Vietnam has pledged to maintain the orderly departure programme [ODP] for Vietnamese refugees, United Nations High Commissioner for Refugees Jean Pierre Hocke told Foreign Minister Sitthi Sawetsila yesterday.

Ministry spokesman Sarot Chawanawirat said Mr Hocke received the pledge during talks in Ho Chi Minh City on Thursday.

Mr Hocke, he added, reported that U.S. officials had interviewed 1,200 Vietnamese who are qualified for resettlement in third countries under the programme.

ACM [Air Chief Marshal] Sitthi, said Mr Sarot, reminded Mr Hocke of the Vietnamese boat people problem confronting Thailand and Malaysia and said the ODP would benefit Thailand, if it is genuinely implemented by Hanoi.

The minister also addressed the problem of Laotian displaced persons in Thailand who have shown their willingness to return but could not do so because Vientiane has refused to take them. [passage omitted on U.S.-SRV talks on Amerasian children]

Editorial Welcomes SRV Envoy's Comments
BK120125 Bangkok THE NATION in English
12 Sep 87 p 4

[Editorial: "Hanoi's Envoy Assures Open Lines of Communication"]

[Text] It is heartening to hear Vietnamese Ambassador Le Mai in Bangkok say that the "cocktail party" initiative is still alive. Obviously reflecting the official policy, he said that Indonesian Foreign Minister Mokhtar Kusumamataja and Vietnamese Foreign Minister Nguyen Co Thach achieved "break-through" when they met recently in Ho Chi Minh City. The best, he said, from our point of view, was that something is moving and that will slowly gain momentum.

However, we do not agree with Le Mai's criticism of what he called "the Bangkok formula". The ASEAN foreign ministers meeting in Bangkok did not change anything but only added that the informal talks between the Khmer factions should be immediately followed by the participation of Vietnam.

The whole question of holding talks about Kampuchea devolves on the invasion and occupation of that country by Vietnam. Neither formal nor informal discussions about Kampuchea can produce any results if Vietnam is not a party to them. As a matter of fact even the participation of Vietnam will be only an initial step because any comprehensive solution should involve both the Soviet Union and China.

But that does not mean that we should ignore the hopeful attitude expressed by Le Mai about what he calls the "Ho Chi Minh formula". Next week the UN General Assembly starts its annual meeting in New York and both Mokhtar and Thach will again have a chance to thrash out the various minor difficulties in opening the informal discussions. Mokhtar is ASEAN's interlocutor with Vietnam on the Kampuchean issue and we hope they come to some viable conclusions.

Le Mai is also confident that channels of communication will be kept open by Vietnam and that we consider is a positive factor. For nearly nine years, ASEAN has

worked hard for a political solution to the Kampuchean conflict and for this it is necessary to have channels of communication. Le Mai says that the proposed cocktail party is only one of the approaches to a solution. Hopefully Mokhtar and Thach will be able to find other avenues of approach.

Vietnam

Refugees To Be Viewed on Case by Case Basis *BK161115 Hong Kong AFP in English 1040 GMT 16 Sep 87*

[Text] Hanoi, Sept 16 (AFP)—Vietnam has said it is ready to take back its "boat people" in Hong Kong on a case by case basis but it is "not prepared to take a large number back," a British source said here Wednesday.

The British source emphasised that Hanoi wanted to tackle the refugee problem "case by case" and was not prepared to take back a large number of the refugees.

A group of legislators in the British colony recently threatened to hold direct talks with Hanoi on the possible repatriation of some 9,000 Vietnamese refugees in Hong Kong, of whom half live in closed camps.

According to official statistics, more than 3,000 refugees have been in Hong Kong for more than five years waiting for visas to Australia, the United States or Europe. Those who obtained them were usually replaced by new arrivals.

The British source said a distinction had to be made between the "different categories" of Vietnamese refugees in Hong Kong: Those who originally fled to China and settled there, and those who had come directly from Vietnam.

On the first category, the Hong Kong authorities had an agreement with Beijing to send them back to China as illegal immigrants, the source said.

Several thousand of these refugees have fled to Hong Kong from south China so far this year.

But the problem of those refugees who came directly from Vietnam has not been resolved, and is to be discussed by two senior British officials in Hong Kong.

Lord Glenarthur, minister of state responsible for Hong Kong affairs and Emrys Davies, Britain's ambassador to Vietnam, are both due to arrive in the colony Wednesday.

Britain has asked countries involved in the intake of Vietnamese refugees, such as the United States and Australia, to help it resolve the problem in Hong Kong, the source added.

Pham Hung Meets Soviet Metallurgists Group *OW152121 Hanoi VNA in English 1457 GMT 15 Sep 87*

[Text] Hanoi OANA-VNA September 15—A group of Soviet experts in non-ferrous metallurgy led by L.S.

Pramonov, department head of the U.S.S.R. State Planning Committee, paid a working visit to Vietnam from September 1-15.

During the visit, the Vietnamese and Soviet sides agreed on a number of main issues on their cooperation in non-ferrous metallurgy.

The Soviet guests were received on arrival by Chairman of the Council of Ministers Pham Hung, who expressed thanks to the Soviet Union for its valuable assistance, and highly appreciated its determination to fulfil the agreements reached between the two countries.

For his part, L.S. Pramonov highly valued Vietnam's resources of non-ferrous metals and its prospects in bauxite mining, and in aluminium production and export.

Also present at the reception were Do Muoi, Politburo member and permanent member of the Secretariat of the party Central Committee; Pham Thanh Liem, minister of engineering and metals; and D.I. Kachin, Soviet ambassador.

NHAN DAN on Economic Units' Autonomy *BK150715 Hanoi Domestic Service in Vietnamese 2300 GMT 11 Sep 87*

[NHAN DAN 12 September editorial: "Promote Basic Economic Units' Right to Autonomy in Production and Business in Conjunction With Renovating State Economic Management"]

[Text] Fully aware of the fundamental guidelines for renovating economic management which were set forth by the sixth party congress, the sixth party Central Committee's third plenum discussed and approved a resolution on shifting the activities of basic state-owned economic units to socialist accounting and business and renovating state economic management. This is an important resolution aimed at liberating production forces and creating an impetus for economic units and laboring masses to enthusiastically develop the economy of goods in the direction toward socialism with increasingly higher productivity, quality, and effectiveness.

In his address to the plenum, General Secretary Nguyen Van Linh stressed that basic economic units are the cells of the national economy and the places where material assets are turned out every day for society to meet workers' daily needs and create a source of capital accumulation for basic installations and a centralized source of capital for the state. As a result, renovating the management mechanism of primary units toward establishing their right to autonomy is the key task through which benefits are closely linked to responsibility and interests to duty in order to create a vigorous driving force for production and business operations.

Proceeding from the actual implementation of draft resolution No 306 of the fifth party Central Committee's Political Bureau, this plenum clearly indicates that the

expansion of basic economic units' right to autonomy in production and business must be coupled with renovating state economic management and must ensure the elimination of bureaucratism and state subsidization in order to uniformly establish a planning system and the socialist accounting and business procedures in accordance with the principle of democratic centralism.

The party Central Committee's third plenum has not been conditioned to discuss the renovation of management in all types of basic economic units. It only concentrated on discussing and deciding the contents and system of autonomy in production and business of state industrial enterprises. These principled contents are also applied to building a mechanism of specific management over state economic units in other sectors of activities.

Renovating the management mechanism of state economic units is a pressing demand which is aimed at strengthening and enabling these units to play the leading role in the economy. Renovating the management mechanism of state enterprises requires renewed planning so that the enterprises can use guidelines, tasks, objectives, and guidance numbers of the state plan and market demands to actively formulate guidelines for long-range development as well as 5-year and annual plans.

Enterprises which are assigned plan norms and regulations or orders for goods by state agencies must receive a guarantee for their material requirements and for the sales of their products. If they cover their own expenses and conduct business profitably, they can independently use funds and create additional funds for developing production and business; independently organize production and the machinery for administering and arranging labor and wages and all the income of workers and civil servants which depend on the end-results of enterprises' business and the labor results of each individual; and independently formulate the program for technological development in order to constantly raise the level of production technique, create new products, and improve the quality of products.

With a view that warrants the implementation of autonomy in production and business of basic economic units and enhances the effectiveness of state management, the party Central Committee's third plenum resolution clearly specifies the responsibility of the administrative agencies at all levels: They must basically renovate the management procedures, correctly implement the function of state economic management, and completely assign the function of production and business management to basic economic organizations and units. On this basis, reorganization will be carried out step by step in the direction of streamlining and qualitatively enhancing the state machinery at all levels.

The resolution also asserts that the function and organization of state economic management machinery are to enhance the effectiveness of centralized and unified

leadership by the central state government which reflects in the formulation of socioeconomic and technological strategies, to provide guidance and leadership for the implementation of economic laws and policies and the main economic and technical standards and norms; create favorable environment for production and business operations; implement the cadre policy; exercise the state control over all economic activities; and ensure scrupulous observance of law and economic management system in all sectors, at all echelons and in primary units. At the same time, the resolution clearly stipulates the authority and responsibility and promotes the autonomy of the local administration at all levels in the implementation of all state economic management functions within the area of territorial divisions.

The state economic management machinery from the central to local levels should be renovated in line with the function and the relations of labor division and decentralization and in close connection with the process of shifting basic economic units to business, forming various organizations of economic alliance, reducing management links, and eliminating unnecessary intermediary links.

The party Central Committee's third plenum resolution should be thoroughly understood and scrupulously organized for implementation with high results. This resolution together with the party Central Committee's second plenum resolution must be implemented as one.

One of the decisive measures to organize the implementation of party Central Committee plenum resolutions is to revitalise cadres and cadre work, assess and select cadres in accordance with the basic standards for quality and ability, and victoriously achieve the renovation task.

The party Central Committee's third plenum resolution, which shifts the activities of basic state economic units to socialist accounting and business and renovates state economic management, can be a part of life only when institutionalized by various regulations of the state.

State agencies are responsible for quickly preparing new documents to supersede outdated regulations. Along with organizing study and guidance on implementation of the party Central Committee's third plenum resolution, all echelons, sectors, and localities must satisfactorily comply with the conclusions of the Political Bureau on controlling implementation and the urgent policies and measures aimed at continually implementing the party Central Committee's second plenum resolution. It should strive to overcome difficulties, practice productive labor and thrifty practice, firmly maintain discipline, resolutely struggle against negative phenomena, and help change production, distribution and circulation, and improve livelihood step by step.

Energy Consumption, Conservation Discussed
BK151015 Hanoi Domestic Service in Vietnamese
2300 GMT 9 Sep 87

[NHAN DAN 10 September editorial: "Saving Energy"]

[Text] Coal, electricity, and petroleum are strategic commodities essential for production, business, and the people's life. At present, per capita consumption of coal is about 100 kg and of electricity is under 100 kilowatt/hour. The total amount of imported petroleum is barely enough to meet our minimum requirements. This hard fact about energy and fuel sources requires that each level, sector, production establishment, and consumer absolutely save each piece of coal, each gram of fuel, and each kilowatt/hour of electricity.

For several years now not a few energy-saving campaigns have been launched and not a few management regulations and decisions issued to prevent losses of this precious commodity. In the process of switching to the economic accounting and business system some economic units have set reasonable levels of energy and fuel consumption for a product unit, have implemented a system under which appropriate commendations and rewards are granted to collectives and individuals credited with achievements in energy and fuel economization, and have imposed material penalties on those who used energy and fuel in excess of the set norms and those who squandered or caused the losses of these commodities. Procurement units have made initial efforts to reorganize the reception, distribution, and transportation machinery and have spent their own money to buy some specialized checking and measuring equipment to help reduce energy and fuel losses.

However, generally speaking, the squandering and losses of coal, electricity, and gas and oil remain extremely serious. More than 10 percent of coal is being lost during transportation. On the Quang Ninh-haiphong route alone, more than 5,000 tonnes are lost each year. On top of that, the quality of coal is poor, and this has affected the quality of products and caused further losses of other kinds of supplies and raw materials. The wasteful use of gas and oil, instead of being curtailed, has tended to increase. Unrepaired worn-out and crumbling vehicles and machines have increased fuel consumption. Large numbers of trucks are still being used in one-way trucking operations and minitrucks pressed into long-distance hauling service or kept for private use. The theft of gas and oil for resale on the market remains serious. Local authorities and public security forces at various echelons have failed to carry out regular inspection and checking and promptly punish fuel thieves and illegal dealers.

As for electrical power, losses have reached an alarming level due to two major causes: wasteful use and rampant theft. Even if the entire electrical power sector does its best this year, all it may achieve is to fulfill its output target of 6 billion kilowatt/hour. For this reason, production establishments, including those given top priority, are not receiving sufficient power supplies as planned.

There is not enough electricity for drought and waterlogging control purposes. Many mountainous rural areas still have no electricity. In major urban areas, the amount of power needed for daily use has been reduced. Meanwhile, an average 10 percent of power supplies are being stolen each year. In Hanoi, around 50 percent of power are lost due to the failure to improve the power grid, unsatisfactory management, theft, and consumption that exceeds the amount allowed. Each month, Hanoi suffers a loss of more than 10 million dong from subsidized power rates alone. Many state organs and housing estates are consuming more power than they are allowed. Some cadre households have used thousands of kilowatt/hours a month. A number of urban and rural subwards and villages have stolen electricity by making unauthorized connections from the power main to their homes, causing many breakdowns of power lines and transformer stations. We cannot apply forever ordinary measures against illegal use of electricity. Consuming electricity in excess of the authorized amount and theft of power by individuals or collectives are all violations of the socialist property. Along with educating people to protect and save energy and fuel, we should apply fitting legal and economic measures to effectively check all acts of theft and sabotage causing damage to or losses of energy and energy-producing equipment and means.

Party committees at all levels and the local authorities should pay more attention to the management and use of energy. Concerning electricity in particular, first of all the State Planning Commission and the Ministry of Energy should work in coordination to consider power supply requirements and ensure that electricity of the right quality is supplied to the right consumers at the right time for the right purposes.

To achieve high efficiency in electricity consumption and economization, we should apply the measure of separating the supply of power for production from that for daily use, install power meters in each consumer household, and resolutely prevent shortfall in power bill collection. Those organs and units using more power than they are allowed should not be given more money to cover the extra expenses. The state has already adopted a policy prohibiting all organs and units from paying the power bills of worker and civil servant households. Households sharing the same address and located in the same housing estate should pay attention to upholding their sense of socialist collective mastery, expose, struggle against, and prevent the illegal use of electricity. Households of any categories and cadres of any ranks must use electricity in strict accordance with current regulations. If they violate these regulations, they must be dealt with in the same way as anyone else.

The electricity sector should improve its managerial work, combat all negative manifestations within its sector concerning power distribution and consumption. If the power losses are cut down and power bills are fully collected, we will have a sizable amount of money for the production of power-measuring equipment and meters.

The country's energy and fuel sources are still meager. In the near future, even if more coal and oil are produced and the Hoa Binh and Tri An hydroelectric power plants begin to generate power, there will still be a shortage of energy and fuel necessary for the

development of production and for improving the people's life. For this reason, promoting energy saving and correct implementation of the electricity consumption policy is not only a task of immediate significance but also a long-term undertaking.

Australia

Stronger Defense Aid for Papua New Guinea

*BK110954 Melbourne Overseas Service in English
0830 GMT 11 Sep 87*

[Text] The head of the Australia Defense Department, Mr Alan Wood, said Australia is preparing to give Papua New Guinea a stronger defense commitment. Speaking in Port Moresby after attending the annual Australia-Papua New Guinea defense talks, Mr Wood said details of the commitment would be worked out at the meeting of senior officials from both countries in Port Moresby next week.

He said the talks he had just attended had reviewed defense developments affecting the two countries in view of the joint declaration of principles currently being negotiated between them.

The chief of the Australian Defense Forces, General Peter Gratton, who also attended the talks, said he was pleased with them, but gave no details.

Australia's defense cooperation program with Papua New Guinea is worth about \$15 million [Australian dollars] this year.

Telecom Links With Papua New Guinea

*BK131035 Melbourne Overseas Service in English
0430 GMT 13 Sep 87*

[Text] Technicians of Australia's Overseas Telecommunications Commission, the OTC, are gradually restoring telephone and telex links with Papua New Guinea. Papua New Guinea's telecommunications links with the rest of the world were cut off last week after a fire in a major communications center in Lae, about 200 km north of Port Moresby. A spokesman for the OTC in Sydney says the organization is working to establish manual-operator connected links with Papua New Guinea.

By early today, 2 manual circuits have been established, and OTC says it hopes to have another 12 operational by the end of the day. This would represent about 10 percent of Papua New Guinea's capacity of the 120 automatic telephone links. Full telecommunications links are not expected to be restored until next Wednesday or Thursday.

Government Presents Virtually Balanced Budget

*BK160150 Melbourne Overseas Service in English
0030 GMT 16 Sep 87*

[Text] The federal government has handed down a virtually balanced budget. The treasurer, Mr Keating, said last night the government's budget deficit had been cut back from \$2.71 billion [Australian dollars—fbis] in 1986-87 to \$27 million for the current year. Mr Keating said this had been achieved without increasing or introducing any new taxes while at the same time cutting federal spending by 2.4 percent. He revealed that the budget would cut outlays by \$3.5 billion.

Radio Australia's Canberra correspondent, (Michael Cavanagh), says that with the market expecting a budget deficit of around \$1 billion the balanced budget came as a surprise. However, the spending estimate including proceeds from the sale of major government assets which is expected to net \$1 billion.

The treasurer said the government had been able to cut spending and stabilize taxes because of measures already taken such as the capital gains tax and fringe benefits tax.

A new family assistance package to take effect late in December will include a family allowance supplement in addition to the existing family allowance, a new child maintenance scheme, and extra 5,800 higher education places for young school leavers, and 13,000 places for new job trainees.

Despite the balancing of the budget, the treasurer said Australia's economic performance would continue to be constrained until the trade imbalance was rectified.

Economic Growth Forecasted

*BK160152 Melbourne Overseas Service in English
0030 GMT 16 Sep 87*

[Text] The budget has forecast that Australia's economy will grow by 2.75 percent compared to last year's growth of 2 percent. This is slightly higher than the 2.5 percent rate of growth predicted by the Organization for Economic Cooperation and Development. The treasurer, Mr Keating, said the growth should generate 100,000 new jobs. Graeme Dobell reports:

[Begin Dobell recording] Mr Keating said inflation would fall from over 9 percent last financial year to around 6 percent by the middle of next year. The treasurer said that the federal government would withdraw from its position as a net borrower, thus helping to sustain lower interest rates.

Mr Keating said the near balanced budget was an historic achievement based on the government's broadening of the tax base. He said the holes in the tax wall had been plugged and there was now a culture of compliance; Australians were paying their taxes. The treasurer said Australia was pulling out of its terms of trade crisis but still had a long way to go before it could stop the growth in net foreign debt.

The budget estimates that the current account deficit for this year would be \$11.5 billion [Australian dollars], a drop of nearly \$2 billion on last year. At the end of June, Australia's net foreign debt stood at nearly \$83 billion, more than 31 percent of gross domestic product. [end recording]

Reacting to the budget, the federal opposition leader, Mr Howard has expressed disbelief at the low deficit figure. Mr Howard says the \$27 million deficit is a phantom figure, and the real deficit is closer to \$2.5 billion.

Mr Howard says the sale of government assets or \$1 billion cannot be relied upon to reduce the deficit. He also says there is nothing in the budget offering any real

hope that the structural weakness in the economy is being seriously addressed.

Meanwhile, the president of the Australian Council of Trade Unions, Mr Crean, says although the budget does not do enough to stimulate exports, much of the package is encouraging.

The response from Australian business and industry groups to the budget ranges from optimism to total disappointment. The Business Council of Australia says business will respond with a boost in investment confidence. However, the Australian Chamber of Manufacturers says it is disappointed at the lack of further spending cuts to fund more initiatives for the manufacturing industry.

Fiji

Diplomatic Ties Established With Colombia
*BK140245 Hong Kong AFP in English 0210 GMT
14 Sep 87*

[Text] Suva, Sept 14 (AFP)—Fiji has established diplomatic relations with Colombia, the Foreign Affairs Department said Monday.

A department spokesman said relations at ambassador level would help promote reciprocal co-operation, and noted that in the U.N. Colombia had supported Fiji's opposition to French nuclear testing in the South Pacific and its stand on the New Caledonian independence issue.

Police Seal Off Fire Bomb-Hit Suva Area
*BK131049 Melbourne Overseas Service in English
0500 GMT 13 Sep 87*

[Text] Police today sealed off an area of the Fiji capital, Suva, after violent incidents overnight. The police have given a few details of the trouble, but radio reports say a gang of men threw petrol bombs into the buildings. One building which formerly housed a bank but had been converted to a number of shops was destroyed by fire.

Other reports from the capital say several other buildings had their windows broken and were set on fire. At least one person was injured in the incident.

Radio Fiji reported that an employee of a petrol station who was struck with an axe had been taken to hospital. Police are questioning a number of people about the attacks.

New Caledonia

Foreign Ministers Reaction to Referendum
*BK111015 Hong Kong AFP in English 0356 GMT
11 Sep 87*

[Text] Port Moresby, Sept 11 (AFP) — The foreign ministers of Papua New Guinea, Vanuatu and the Solomon Islands are to meet in Honiara Saturday to adopt a joint strategy on independence for New Caledonia, a foreign affairs spokesman said here Friday.

The meeting of the three Melanesian spearhead nations comes on the eve of the independence referendum in the neighbouring French Territory New Caledonia and follows an unsuccessful bid by Papua New Guinea for an emergency meeting of the 15-nation South Pacific Forum on the issue.

Acting Foreign Minister Aruru Matiabe called last week for the Forum to meet in Vanuatu before Sunday but his plan was vetoed by most member nations because of logistics problems.

The spokesman said most Forum members had since indicated that they favoured a full foreign ministers meeting as soon as possible after the referendum.

At the Honiara meeting Mr. Matiabe will ask Vanuatu and the Solomons to consider recognising the pro-independence FLNKS [Kanak Socialist Liberation Front] as the legitimate voice of the Kanaky people in New Caledonia.

Mr. Matiabe said earlier this week that Papua New Guinea would be prepared to offer the FLNKS facilities in Port Moresby to set up a provisional government in exile if its fellow spearhead group members agreed to this stand.

Opposition Reaffirmed

*BK131105 Melbourne Overseas Service in English
0800 GMT 13 Sep 87*

[Text] The foreign ministers of Papua New Guinea, Solomon Islands, and Vanuatu have called on the international community to reject the outcome of today's referendum on independence in New Caledonia. A joint statement released today after a meeting in the Solomon Islands capital, Honiara, said the foreign ministers reaffirmed the stand taken by the South Pacific Forum in rejecting the referendum.

The foreign ministers also urged the chairman of forum to convene a meeting of the forum foreign ministers to discuss the New Caledonia issue as soon as possible.

The statement after the meeting also expressed a deep concern about continuing French colonialism in the Pacific region.

Papua New Guinea

Minister On Foreign Arms for Kanaks
*BK150530 Melbourne Overseas Service in English
0500 GMT 15 Sep 87*

[Text] Papua New Guinea's foreign minister, Mr Matiabe, says New Caledonia's Kanaks may seek weapons from Libya or the Soviet Union if France continues to refuse them independence. Mr Matiabe told reporters in Port Moresby that Papua New Guinea did not want a situation to arise in which arms are being smuggled into New Caledonia. He said Papua New Guinea wanted a peaceful handover of the government to the people of New Caledonia for the Kanak people to be free and to have their own government.

The foreign minister added Papua New Guinea would continue to support the Kanaks though not necessarily in terms of getting them arms. Papua New Guinea, Vanuatu, and the Solomon Islands—members of the

so-called Melanesian Spearhead Group—issued a joint statement condemning Sunday's referendum in New Caledonia in which voters opted to remain under French rule.

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DATE FILMED

17 Sept. 1987

